



City Council Finance Committee

Meeting Agenda

Friday July 21, 2017
City Hall – Spruce Room
749 Main Street
10:00 a.m.

- I. Call to Order
- II. Roll Call
- III. Approval of Agenda
- IV. Approval of the Minutes from the June 12, 2017 Meetings (page 2)
- V. Public Comments on Items Not on the Agenda
- VI. Presentation of 2016 Comprehensive Annual Financial Report (CAFR) and Communication in Compliance with AU-C 260 – Eide Bailly LLP (page 10)
- VII. Budget Amendment – Presentation by Public Works (page 177)
- VIII. C-I-P Review and Update (page 191)
- IX. Enterprise Dashboards (page 196)
- X. 2018 Budget Process Discussion (page 200)
- XI. Sales Tax Report for the Month Ended May 31, 2017 (page 201)
- XII. Revenue Projection Dashboard – Projections Dated July 14, 2017 (page 208)
- XIII. Cash & Investment Report as of June 30, 2017 (page 210)
- XIV. Discussion Items for Next Regular Meeting – *Tentatively* Scheduled for Monday, August 14, 2017 at 7:30 a.m.
 -
- XV. Adjourn

E-Mail Distribution List:

Robert Muckle	Malcolm Fleming
Ashley Stolzmann	Heather Balsler
Dennis Maloney	Kevin Watson
Jay Keany	Penney Bolte
Susan Loo	Graham Clark
Jeff Lipton	Meredyth Muth
Christopher Leh	Rita Glova
	Dawn Burgess

City of Louisville, Colorado

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City Council Finance Committee

Meeting Minutes

Monday, June 12, 2017
City Hall, Spruce Room
749 Main Street

CALL TO ORDER

The meeting was called to order at 6:00 p.m.

ROLL CALL

The following were present:

City Council: Mayor Muckle, Council Member Stolzmann, and Council Member Maloney

Staff/Others Present: Heather Balsler, Deputy City Manager, Kevin Watson, Finance Director, Chris Neves, Director of Information Technology, Kurt Kowar, Director of Public Works, David Hayes, Chief of Police, Emily Kropf, Assistant to the City Manager, Kathy Martin, Recreation Superintendent, Dean Johnson, Parks Superintendent, Brad McKendry, Senior Systems Administrator, Graham Clark, Senior Accountant, and Penney Bolte, Tax Manager

Absent: None

APPROVAL OF THE AGENDA

The Finance Committee approved the agenda as presented.

APPROVAL OF THE MINUTES FROM THE MAY 15 AND MAY 24, 2017 MEETINGS

The Finance Committee Members approved the May 15 and May 24, 2017 meeting minutes as presented.

PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

None.

SALES TAX REPORT FOR THE MONTH ENDED APRIL 30, 2017

Tax Manager Penney Bolte presented the sales tax reports for the month ended April 30, 2017 to the Finance Committee.

Manager Bolte reviewed with the Committee variances in the Monthly by Area revenue report stating there were additional one-time technology purchases for the Outside City area, and another in-city sale by a manufacturer in the CTC area. McCaslin North declined 6% for April and will continue to reflect larger than actual declines in the reports until August 2017, when the previously miscoded vendor revenue will no longer be included in the prior month revenue comparisons.

Ms. Bolte reviewed the Monthly by Industry revenue report with the Finance Committee Members stating that the coding error discussed at the May 15 meeting was corrected in April but resulted in a false decline in the Other Retail category and a false increase in the Grocery category. Ms. Bolte stated this adjustment was necessary to ensure 2nd quarter revenues are correct and meaningful. Absent this adjustment, Ms. Bolte stated the Grocery industry sector increase is 23.3% for April and the Other Retail sector increased 5.1%.

The reports and corresponding narrative can be located in the packet of the May 15, 2017 Finance Committee Meeting.

KEY PERFORMANCE INDICATORS

Assistant to the City Manager Emily Kropf reported to the Finance Committee that revisions of several Key Indicators have been requested by staff. Ms. Kropf stated that, after using the previous indicators, staff discovered there were measures for which data could not be captured, or that other indicators would be more pertinent.

Finance Committee Member Maloney stated his appreciation to staff in providing this information in advance of the start of the budget process. Mayor Muckle and Finance Committee Member Stolzmann concurred.

The Sub-Program Key Indicators discussed were:

Governance & Administration Sub-Program

Member Maloney asked how the Average Days to Respond to City Council Requests is tracked. Ms. Kropf stated that a database system is used to track emails or inquiries. Director Neves stated that it is the same system as used to track IT Help Desk requests, and is able to track the amount of time spent on an individual inquiry until the “ticket” or “inquiry” is closed. Member Maloney asked how a measurement of effectiveness would be determined for Council inquiries, noting most of the effectiveness measures noted are based on results from Citizen Surveys. Finance Committee Members discussed that perhaps development of a City Council Survey would be appropriate. Deputy City Manager Balser stated that normally the satisfaction of City Council is part of the City Manager review process, but that additional thought would be put in to how various effectiveness measures could be incorporated from both processes.

The Finance Committee approved the proposed Key Indicator changes.

Public Information & Involvement Sub-Program

Finance Committee Chairperson Stolzmann asked if the City has a social media policy. Ms. Kropf stated the City does not, but that one is being worked on. Finance Committee Member Maloney asked how many residents currently subscribe to the City’s E-Newsletter. Ms. Kropf stated five subscribers presently.

The Finance Committee approved the proposed Key Indicator changes.

Sustainability Sub-Program

Finance Committee Member Stolzmann stated that she would prefer the effectiveness edit to “Energy Savings from Energy Upgrades” changed back to “Cost Savings from Energy Upgrades” noting that a reduction in costs are more meaningful or relevant than an energy reduction amount. Committee Members and staff discussed how this would be accomplished, stating this is a challenging area, and that there needs to be a balance between the staff labor expended in gathering the data versus the value of the data able to be captured. Deputy City Manager Balser stated that there may be a way to look at cost saving programs year-by-year.

The Finance Committee approved the proposed Key Indicator changes with the exception of changing back “energy savings” to “cost savings.”

Cultural Arts & Special Events Sub-Program

Member Stolzmann stated that the LCC Events and Cultural Council Events seem to be a duplicate.

It was requested that “Marketing Contacts” be change back to “Marketing Materials Produced”.

Finance Committee Chairperson Stolzmann asked why the workload measure “Marketing Materials Produced” was replaced with “Marketing Contacts”, and the unit measure changed from “Items” to “Impressions”. Member Stolzmann stated that she would like to have “Impressions” changed to “Pieces Made,” and the line item moved from workload to efficiency. A new efficiency was requested “Marketing Impressions/Materials Produced”. By doing this, Ms. Stolzmann stated that efficiency measures could be by either views per piece or dollars per piece. Members also stated that staff should be sensitive when measuring public are as there have been many donations to the City which are displayed in several facilities.

The Finance Committee approved the proposed Key Indicator changes with the above noted revisions.

Acquisition Sub-Program

The Finance Committee approved the proposed Key Indicator changes with the exception that the efficiency unit of measure be changed from “Hrs./Parcel” to “Units”, and “Service Level Rating” removed.

Education and Outreach Sub-Program

Staff recommended efficiency changes from “Average” to “Total” Participants in Education Program and Hours Donated to Volunteer Program. Finance Committee Chairperson Stolzmann requested staff to include both “Average” and “Total” efficiencies for the above two indicators, or simply change back from “Total Participants in Education Program” back to “Average Participants per Education Program”.

The Finance Committee approved the proposed Key Indicator changes with the above noted revisions.

Trail Maintenance Sub-Program

The Finance Committee approved the proposed Key Indicator changes.

Parks Sub-Program

Member Stolzmann asked why the efficiency indicators for Park Expenditures per Irrigated and per Non-Irrigated Acre had been combined. Parks Superintendent Dean Johnson stated that they are not tracked separately and that the expenditures for both come out of the same budget. “Park Expenditures per Irrigated and Non-Irrigated Acre” was changed to “Park Expenditures per Acre”.

The Finance Committee approved the proposed Key Indicator changes.

Adult Activities Sub-Program

The Finance Committee approved the proposed Key Indicator changes.

Aquatics Sub-Program

The Finance Committee approved the proposed Key Indicator changes.

Senior Activities and Services Sub-Program

The Finance Committee and staff discussed adding a footnote to explain Drop in Programs, and also whether to use a unit of measure of “Items” or “Participants” for the workload indicator. The Finance Committee asked staff to consider how use of each would relate to the Drop in Programs indicator and to decide which would be best.

The Finance Committee approved the proposed Key Indicator changes.

Youth Activities Sub-Program

The Finance Committee approved the proposed Key Indicator changes.

Planning and Engineering Sub-Program

The Finance Committee approved the proposed Key Indicator changes.

Snow & Ice Removal Sub-Program

Finance Committee Member Dennis Maloney requested clarification of the workload measure Public Parking Lots Shoveled. Parks Superintendent Dean Johnson stated that this is for park parking lots. The Finance Committee requested “Public Parking Lots Shoveled” be changed to “Public Parking Lots Plowed”.

The Finance Committee approved the proposed Key Indicator changes.

Streetscapes Sub-Program

Finance Committee Chairperson Stolzmann stated that she would like the Water Score (Irrigation Gal/SF) efficiency measurement kept as a Key Indicator and not deleted as proposed by staff. Dean Johnson, Parks Superintendent stated it would be left in and that it would be easy to grab the water meter readings for the streetscape areas.

The Finance Committee approved the original Key Indicators to include the Water Score measure.

The Finance Committee and staff discussed the ongoing development of the Key Indicators, the intended use of the Indicators for budget decisions and policy-making, the pros and cons of using Key Indicators for performance evaluations, accountability concerns, and over time, refining the desired outcomes. It was mutually agreed Key Indicators are a work in process.

The reports and corresponding narrative can be located in the June 12, 2017 packet of the Finance Committee Meeting.

AUDITING SERVICES RFP

Finance Director Kevin Watson presented a draft of the proposed Request for Proposals (RFP) to the Finance Committee and reviewed the history of last bid awarded to Eide Bailly in 2008. Director Watson asked the Finance Committee Members for direction as to whether or not Eide Bailly should be provided the opportunity to bid for continued services, or whether the Finance Committee would prefer to seek new Professional Auditing Services.

Mayor Muckle stated that he was very pleased with the work and reporting provided by Eide Bailly, and that he would be in favor of allowing them to submit a bid proposal for consideration. Finance Committee Member Stolzmann and Maloney agreed.

The draft RFP and corresponding narrative can be located in the June 12, 2017 packet of the Finance Committee Meeting.

BANKING SERVICES

Finance Director Kevin Watson reviewed for the Finance Committee Members, the background of the City's Banking Services agreement with First National Bank (FNB), noting that the FNB General Cash Management Services Agreement executed in August 2010 did not have a specific expiration date. The original RFP however, was made part of the agreement and the term specified five years plus two one-year options to renew.

Director Watson stated that staff had scheduled a standard re-bid for later this year, but stated his concern with engaging another bank while still implementing the ERP system. Director Watson asked the Finance Committee to authorize staff to renegotiate an extension with FNB until the ERP implementation is complete.

Finance Committee Chairperson Stolzmann stated that she too would be concerned with engaging a new banking institution at this point, specifically when utility billing will be implemented within the next few months.

The Finance Committee unanimously agreed that staff should renegotiate the requested 2-year extension.

The narrative can be located in the June 12, 2017 packet of the Finance Committee Meeting.

INVESTMENT ADVISOR CONTRACT

Finance Director Kevin Watson presented to the Finance Committee the history of the City's current contract with Chandler Asset Management, the City's current provider of Investment Management Services.

Director Watson reiterated that staff has prepared to re-bid for investment management services, but that due to the ERP conversion/implementation and other demands, the RFP has not yet been developed. The Finance Director stated that Mr. Scott Prickett of Chandler Asset Management has offered the City a 3-year extension and honoring the existing fee schedule.

The Finance Committee unanimously agreed that staff should execute and extended contract with Chandler Asset Management.

The Investment Agreement and narrative can be located in the June 12, 2017 packet of the Finance Committee Meeting.

LIST OF BILLS SCHEDULED FOR COUNCIL APPROVAL ON MAY 16, 2017

Kevin Watson, Finance Director presented the Finance Committee the list of bills to be approved by City Council June 13, 2017.

The list of bills can be located in the packet of the June 12, 2017 Finance Committee Meeting.

DISCUSSION ITEMS FOR THE NEXT REGULAR MEETING

The next regular Finance Committee Meeting is scheduled for Friday, July 21, 2017 at 10:00 a.m.

Items scheduled for discussion at the next meeting include:

- Non-Profit Grant Program
- CIP Review
- Financial Statements for the Month Ended June 30, 2017
- Sales Tax Reports for the Month Ended May 31, 2017
- Cash & Investment Report as of June 30, 2017
- List of Bills

Finance Director Watson stated that the non-discrimination language approved by the Legal Committee is needed to incorporate into the Non-Profit Grant Applications. Deputy City Manager Balsler stated that she or City Attorney Sam Light would provide the language to Director Watson.

ADJOURN

The meeting was adjourned at 7:12 p.m.

**SUBJECT: PRESENTATION OF 2016 COMPREHENSIVE ANNUAL
FINANCIAL REPORT (CAFR) AND COMMUNICATION IN
COMPLIANCE WITH AU-C 260 – EIDE BAILLY LLP**

DATE: JULY 21, 2017

PRESENTED BY: EIDE BAILLY LLP

SUMMARY:

Attached is the City's 2016 Comprehensive Annual Financial Report (CAFR). A hard copy of the report was distributed to City Council and staff earlier this month.

In compliance with Statements on Auditing Standards (SAS), as codified into AU-C Sections, also attached is a draft letter from Eide Bailly LLP, the City's independent auditor. This is standard communication and reviews management's responsibilities, accounting estimates, disclosures, and any difficulties, misstatements, or disagreements that occurred during the audit engagement.

Sarah Kurtz, Partner with Eide Bailly LLP, will be at the meeting to discuss both the CAFR and the AU-C 260 letter.

CITY OF LOUISVILLE, COLORADO



Davidson Mesa Open Space - Photo by Kelly Kindrachuck

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2016



Comprehensive Annual Financial Report

For the Year Ended December 31, 2016

PREPARED BY:

Department of Finance
Kevin C. Watson, Director of Finance
Graham Clark, Senior Accountant
Barb Kelley, Senior Accountant
Diane Kreager, Accounts Payable & Collections Supervisor
Penney Bolte, Tax Manager

COVER DESIGN:

Meredyth Muth, Public Relations Manager

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COLORADO • SINCE 1878

June 30, 2017

Citizens, Mayor Muckle, Members of the City Council:

We submit to you the Comprehensive Annual Financial Report (CAFR) of the City of Louisville for the fiscal year ended December 31, 2016. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data reflects accurately in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds of the City. We have also included all disclosures necessary to enable the reader to gain an understanding of the City's financial activities. We also suggest that readers of this document review the Management's Discussion and Analysis section for a more detailed discussion on the financial information.

This report includes all funds of the City. In addition, the Urban Revitalization District meets established criteria for inclusion in the reporting entity and, therefore, is also included within this report.

ECONOMIC CONDITION AND OUTLOOK

The City of Louisville has often been recognized for its livability. Money magazine named Louisville No. 1 in its 2009 and 2011 "Best Place to Live" issues and No. 2 and 4 respectively in 2013 and 2015. Many things contribute to this exemplary quality of life and positive economic condition. Among other things, we have beautiful open spaces and parks around and throughout the City, dozens of great eateries, a thriving arts and music scene, great neighborhoods, among the best schools in the State and numerous job opportunities with employers such as Sierra Nevada, which works on the next space shuttle and other space systems, Pearl Izumi, which has its world headquarters here, Trelleborg Sealing Solutions, which opened a major manufacturing facility in Louisville in 2014 specializing in engineered seals and bearings for industries such as aerospace and automotive, and other employers expanding or moving here. As the first Money article noted, "Add in dry, clear weather, little crime, good health care, low taxes, and Louisville is pretty tough to beat."

Louisville is located in the Denver metropolitan region, approximately 6 miles east of the City of Boulder and 25 miles northwest of Denver. Louisville has an incorporated area of approximately 7.9 square miles and a population of approximately 20,000. The City's residential growth peaked in 1992, then remained fairly steady through the 2010 census, and then picked up in the past several years as the last large developable parcels build out and the City nears the target population of about 23,000 that is reflected in the City's Comprehensive Plan. There is significant activity on the commercial land available in Louisville as the City is strongly influenced by the U.S. Highway 36 corridor from Denver to Boulder, proximity to nearby national laboratories and

universities, easy access to Denver International Airport, and numerous world-class recreational and cultural opportunities.

MAJOR INITIATIVES IN 2016
Strategic Goals and Strategies

The City is in good fiscal health. We used a significant portion of the City’s reserves in the General Fund, Capital Projects Fund and other funds to recover from and rebuild after the 2013 floods and to construct long planned major capital improvements, such as the new City Services Facility. Now, without a tax increase, we are starting to rebuild those reserves while still addressing continuing priorities, such as resurfacing the City’s streets.

Programs	Goals
Transportation	A safe, well-maintained, effective and efficient multi-modal transportation system at a reasonable cost.
Utilities	Ensure safe, reliable, great tasting water; properly treated wastewater; effective stormwater control; successfully managed solid waste; and competitive prices for all services.
Public Safety & Justice	Police and other City staff working with the community to help ensure safety; satisfy residents' expectations that individuals observe the City's Municipal Code and State Law; and the justice system is fair, effective and efficient.
Parks	Provide well-maintained parks and landscaped areas that are easy to walk to and enjoyable to visit or see; sports facilities that are fully used and properly maintained; and a suitable final resting place that meets community needs.
Open Space & Trails	Acquire candidate properties as they become available and preserve, enhance and maintain native plants, wildlife, wildlife and plant habitat, cultural resources, agriculture and scenic vistas and appropriate passive recreation.

Programs	Goals
Recreation	Promote the physical, mental and social well-being of residents and visitors through a broad range of high-quality, reasonably priced recreation and leisure activities for people all ages, interests and ability levels.
Cultural Services	Provide services, facilities and activities that inform, involve, engage and inspire the community and preserve the community heritage.
Community Design	Sustain an inclusive, family-friendly community with a small-town atmosphere; effective and efficient building services; and effective preservation of the City's historic structures through a voluntary system.
Economic Prosperity	Promote a thriving business climate that provides job opportunities, facilitates investment and produces reliable revenue to support city services.
Administration & Support Services	Ensure inclusive, responsive, transparent, friendly, fiscally responsible, effective and efficient governance, administration and support.

To help achieve each of these strategic goals, the City transitioned to a budget based on the 10 program areas listed above. Each of the ten major program areas is also further divided into sub-programs to in which revenues and expenditures are tracked. Finally, progress toward the strategic goals will be measured by monitoring key indicators accomplishment of annual contributing projects. Sub-programs, Key Indicators and 2016 Contributing Projects are listed in the following table.

Programs	Sub-Programs	Key Indicators	2016 Contributing Projects
Transportation	Planning and Engineering	Accessibility and mobility index, Mode split, % of trip types: regional/local Accident rates; compliance with OCI and per capita cost policy objectives; measured satisfaction levels; streets, trails plowed and public buildings shoveled within XX hours.	1. Complete South Street Gateway Underpass (dependent on RR)
	Transportation Infrastructure Maintenance		2. Complete Hwy 42 Plan Short Street improvements 3. Complete DDI 4. Complete County Road Bridge
	Streetscapes		1. N. McCaslin resurfaced 2. 2016 downtown booster complete 3. Lucity Asset Management Software, ERP and Cartograph permit modules fully operational
	Snow & Ice Removal		Complete Phase II downtown brickwork resetting Improved snow removal with computer controls, storage and ice slicer
Utilities	Water	Compliance with all regulations; Minimal complaints; Competitive prices; Effective conservation of resources; Measured satisfaction levels.	1. Finish major renovations (Pump Station, Chlorine Contact Tank) to SCWTP 2. Evaluate Water Financial Plan
	Wastewater		Substantial completion of WWTP
	Stormwater		Complete Citywide Drainage Asset Management Plan
	Solid Waste, Recycling and Composting		Implement Admin Fee adjustment to provide sufficient working reserve funds.
Public Safety & Justice	Patrol and Investigation	Everyone knows their neighbors; Low crime and Code violation rates; Measured satisfaction levels.	1. Evaluate shared services options for law enforcement and communications 2. Body Cams for Police Officers 3. Complete evaluation of service level standards and their effectiveness in determining whether we have a good agreement with the County
	Code Enforcement		ID properties with chronic violations and implement proactive enforcement to maintain compliance
	Municipal Court		Specific actions to increase collaboration between staff in PD and Court.
Parks	Parks	Maintained to established criteria; Maintain tree inventory; Moving to desired level of tree diversity; Stable or declining cost per acre; Measured satisfaction levels.	1. Implement Wayfinding 2. Implement ADA playground replacements
	Forestry		Ongoing replacement of ash trees and those damaged due to severe weather change in November of 2014
	Horticulture		Consideration of landscaping standards and replacement of dated and damaged landscaping
	Cemetery		
Open Space & Trails	Acquisition	Maintained to established criteria; Cost per acre and per mile; Measured satisfaction levels; Productive relationships with owners of candidate properties.	Pursue preferred acquisitions as become available
	Maintenance and Management		Eradicate List A Noxious Weeds
	Education and Outreach		Train with PD on Comprehensive Coyote Mgt Plan
	Trail Maintenance		Maintenance and repair to existing trails due to usage and weather
	New Trails		Implement Wayfinding

Programs	Sub-Programs	Key Indicators	2016 Contributing Projects
Recreation	Youth Activities	Participation rates; Fees reflect adopted cost recovery; Facilities maintained to established criteria; Measured satisfaction levels.	Submit proposed tax measure to voters for Recreation/Senior Center expansion and/or new aquatics center
	Adult Activities		
	Senior Activities and Services		1. Revenue positive
	Aquatics		2. Restroom on back 9 in CIP
	Golf Course		
Cultural Services	Library Services	Good participation; Relevant, accessible materials; Measured satisfaction levels.	1. Increase collaborations with schools 2. Migrate to the new platform for the library's Integrated Library System 3. Implement newly expanded Flatirons Library Consortium 501 c(3)
	Museum Services		1. Augment online access to historic Louisville photos and documents 2. Complete Historic Structure Assessments on Tomeo House and the Jacoe Store
	Cultural Arts & Special Events		1. Further refine Special Events process pending 2015 season observations 2. Finalize and adopt Cultural Arts Master Plan
Community Design	Community Design	Measured satisfaction levels; Wakability index; Code compliance; Fees reflect costs; Achievement of preservation goals.	1. Small area plan implementation (public infrastructure, rezoning, and design guidelines) 2. Initiate and implement 1st neighborhood plan 3. Update CMRS administrative policy for public buildings
	Development Review		Implement ongoing customer satisfaction system
	Historic Preservation		Implement specific historic preservation surveys identified in Historic Preservation Master Plan
Economic Prosperity	Business Retention and Development	Vacancy rate; jobs per capita; Resident filled jobs; Sales, construction, and consumer use tax revenue; Building Investment; Economic indicators and trends.	1. Downtown improvements to help facilitate connections in and around downtown 2. Coordinate with CTC on design for additional connection 3. Sam's Club redevelopment
	Urban Renewal		Pursue infrastructure improvements in the URA to address blight/facilitate additional investment
Administration & Support Services	Governance & Administration	Measured external and internal satisfaction levels; Participation rates; Comparison to established benchmark performance indicators and accomplishment of contributing projects/goals.	1. Assess Facilities/Maintenance Level of Service 2. Pursue shared services opportunities/capital
	Public Information & Involvement		Citizen Survey
	City Clerk/Public Records		Possible 2016 Coordinated Election on TABOR question/expanded recreation facilities
	Legal Support		Manage legal expenses within various disciplines/departments
	Human Resources & Organizational Development		1. Train supervisors on ERP system 2. Adopt organizational succession plans for each Department
	Finance, Accounting & Tax Administration		1. In 2016 plan 2 year budget overview for 2017/18 with annual approval
	Information Technology		1. Complete ERP Implementation 2. Business continuity and disaster recovery
	Sustainability		1. Implement Community Garden in coordination with LSAB 2. City Council consideration of LSAB Sustainability Plan
	Facilities Maintenance		Review utility energy management
	Fleet Maintenance		Initiate development of fleet metrics

PROJECTS PLANNED IN 2017

The City reviews and publishes its Five-Year Capital Improvements Plan on an annual basis. Planned City projects for 2017 amount to nearly \$20 million and include:

Project Description	Source of Funds	2017 Budget	Five-Year Estimate
Waterline Replacements	Water Utility Fund	\$4,305,000	\$5,815,230
Wastewater Plant Upgrade	Wastewater Utility Fund	3,139,580	3,139,580
Streets Reconstruction Program	Capital Projects Fund	2,200,000	10,200,000
Sewer Line Replacement	Wastewater Utility Fund	2,152,500	4,203,410
Pavement Booster Program	Capital Projects Fund	1,300,000	8,300,000
Tube Settler Replacement	Water Utility Fund	589,380	1,375,510
SH42 Lake-to-Lake Trail Underpass	Open Space & Parks Fund (& Grants)	392,000	1,892,500
Railroad Quiet Zones	Capital Projects Fund (& Grants)	352,500	2,415,170
Trail Connections & Signs	Open Space & Parks Fund	319,116	1,166,072
Police & Courts Records Management System	Capital Projects Fund	300,000	300,000
Playground Replacement	Conservation Trust - Lottery Fund	280,000	1,400,000
NCWCD - Windy Gap Firing Project	Water Utility Fund	275,000	3,895,000
New Trail Projects	Open Space & Parks Fund	207,992	458,992
Louisville Lateral Ditch Piping	Water Utility Fund	205,000	851,270
HBWTP Flash Mixer Replacement	Water Utility Fund	174,250	174,250
SCWTP Drying Bed Rehabilitation	Water Utility Fund	174,250	174,250
BNSF RR Underpass/N Drainage	Capital Projects & Storm Water Fund	157,500	1,507,500
WTP Instrumentation Upgrades	Water Utility Fund	153,750	52,530
Equipment Storage Building	Golf Course Fund	131,900	131,900
Storm Sewer Detention Pond Maintenance	Storm Water Utility Fund	112,750	592,750
Downtown Clay/Concrete Pavers	Capital Projects Fund	110,000	425,000
Water Plant Disinfection Evaluation	Water Utility Fund	102,500	575,280
Library Building Automation	Capital Projects Fund	100,000	100,000

Operationally, we also began implementing City's the new enterprise resource planning system in mid-2016.

FINANCIAL INFORMATION

City management is responsible for establishing and maintaining internal controls that are designed to ensure the assets of the City are protected from loss, theft or misuse. Also, management ensures that financial statements are prepared in conformity with generally accepted accounting principles through the compilation of adequate accounting data. Internal controls are designed to provide reasonable, but not absolute, assurance these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Controls. The City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts do not lapse at year-end and are generally re-appropriated the following year.

As demonstrated by the statements and schedules included in the financial section of the report, the City continues to meet its responsibility for sound financial management.

OTHER INFORMATION

Independent Audit. State statutes require an annual audit by independent certified public accountants. The accounting firm of Eide Bailly LLP was retained by City Council for this purpose. Eide Bailly has issued an unmodified opinion on the City's financial statements for the year ended December 31, 2016. The auditors' report on the Basic Financial Statements is included in the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designated to meet the special needs of federal agencies that provide significant grant funds to the City. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls especially as they relate to the administration of federal awards.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Louisville for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2015. This was the twenty-sixth consecutive year the City of Louisville has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City of Louisville also received the GFOA's Award for Distinguished Budget Presentation for the 2016 fiscal year. This was the twenty-seventh consecutive year the City of Louisville has received this award. In order to qualify for the Award, the City's budget document was judged to be proficient as a policy document, financial plan, operations guide, and communications device.

Acknowledgments. The preparation of this report would not have been possible without the efficient and dedicated efforts of the entire City staff. We especially thank all members of the City's Finance Department for their exceptional efforts and the staff of Eide Bailly LLP for the professional manner in which they have accomplished our audit and their assistance in the publication of the City's Comprehensive Annual Financial Report. We thank the Mayor, City Council, and Finance Committee for their effective fiscal and policy direction and their support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully Submitted,

Malcolm Fleming

Malcolm Fleming
City Manager

Kevin C. Watson

Kevin C. Watson
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

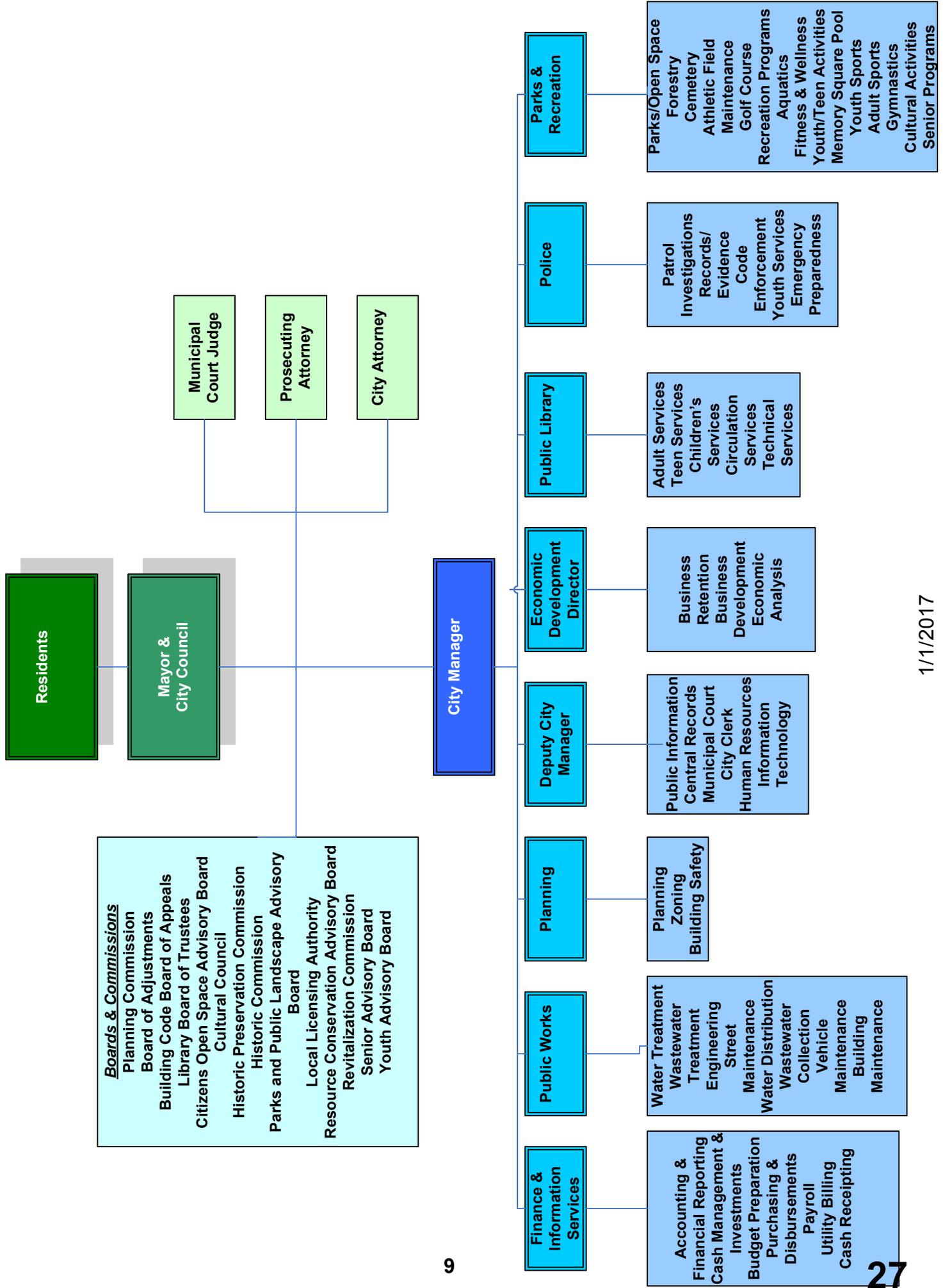
**City of Louisville
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

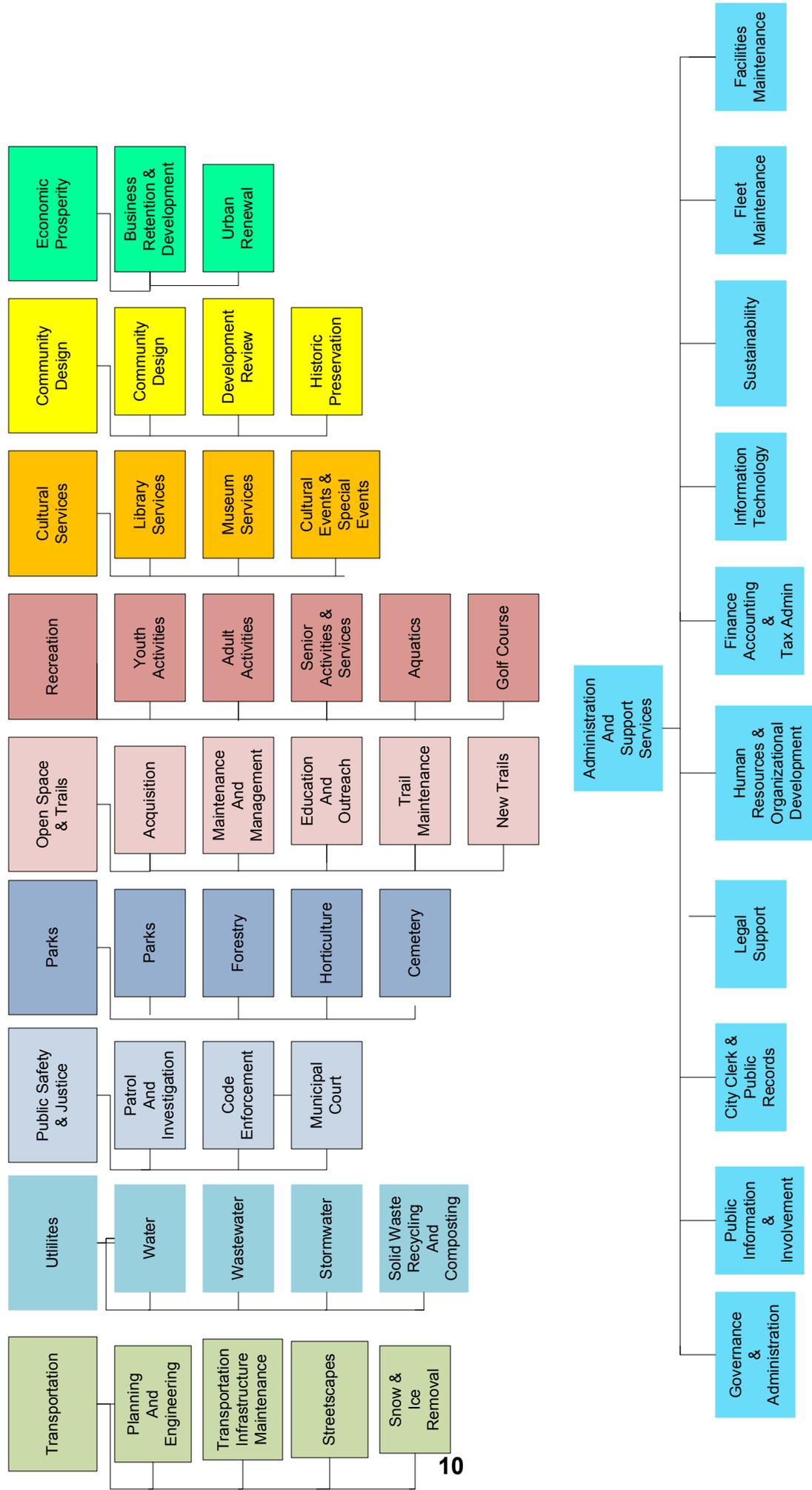
December 31, 2015

Executive Director/CEO

City of Louisville Organizational Chart



Organization Chart by Program



**City of Louisville, Colorado
Directory of City Officials
December 31, 2016**

Mayor

Robert P. Muckle

City Council

Ward I..... Jay Keany, Chris Leh
Ward II..... Jeff Lipton, Susan Loo
Ward III..... Ashley Stolzmann, Dennis Maloney

Appointed Officials

City Manager..... Malcolm Fleming
Deputy City Manager..... Heather Balsler
City Attorney..... Samuel Light
City Clerk..... Meredyth Muth
Municipal Judge Kristan Wheeler
Prosecuting Attorney Colette Cribari

Department Directors

Director of Economic Development..... Aaron DeJong
Director of Finance..... Kevin Watson
Director of Human Resources Kathleen Hix
Director of Information Technology Chris Neves
Director of Library Services Beth Barrett
Director of Parks and Recreation Joe Stevens
Director of Planning..... Rob Zuccaro
Chief of Police Dave Hayes
Director of Public Works..... Kurt Kowar



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Independent Auditor's Report

To the Honorable Mayor and the Members of the City Council
City of Louisville, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type each major fund, and the aggregate remaining fund information of the City of Louisville, Colorado as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Louisville, Colorado, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Correction of an Error

As described in Note 14 to the financial statements, the City recorded an adjustment in the Impact Fees fund and governmental activities to correct certain errors in impact fee overcharges. Accordingly, the 2016 beginning net position in the government-wide statement of activities and 2016 beginning fund balance amounts were updated to correct this error. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 17 through 26 and 72 through 74 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Louisville, Colorado's financial statements. The introductory section, combining and individual nonmajor fund financial statements, other budgetary schedules, statistical section, and local highway finance report are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial statements.

The combining and individual nonmajor fund financial statements, other budgetary schedules, the local highway finance report, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the local highway finance report, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Report on Summarized Comparative Information

We have previously audited the City's 2015 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information in our report dated June 15, 2016. The 2015 summary comparative information included within the statement of net position, the statement of activities, and the impact fee fund supplementary information has been updated for the corrections of errors described above. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2015 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 22, 2017 on our consideration of the City of Louisville, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Louisville, Colorado's internal control over financial reporting and compliance.

Eide Sallee LLP

Fort Collins, Colorado
June 22, 2017



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Management's Discussion and Analysis

This section of City of Louisville, Colorado's annual financial report presents the discussion and analysis of the City's financial performance during the fiscal year that ended on December 31, 2016. City staff encourages readers to consider the information presented here in conjunction with the transmittal letter at the front of this report and the financial statements, which follow this section.

Financial Highlights

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$247.5 million (net position). Of this amount, \$33.8 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$22.7 million, or 10.1%.
- During the year, the City's revenue from taxes and other revenue for governmental programs exceeded the expenses by \$7.5 million. This change in net position for 2016 is \$3.3 million greater than the change in net position for 2015.
- In the City's business-type activities, net position increased by \$15.2 million, or 14.6%.
- The City's total long-term debt, including compensated absences payable and the Urban Revitalization District debt, increased by \$2.7 million to \$46.5 million. This overall increase in long-term debt is mostly due to the issuance of \$3,750,000 on tax increment bonds by the Urban Revitalization District, a component unit of the City.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$20.3 million, an increase of \$2.1 million from the previous year. Of this amount, \$4.2 million (20.6%) is deemed unassigned fund balance, \$37,000 (0.2%) is assigned, \$1.0 million (5.0%) is committed, \$14.4 million (70.8%) is restricted, and \$0.7 million (3.4%) is non-spendable.

Overview of the Financial Statements

This annual report consists of four parts – *management's discussion and analysis* (this section), *basic financial statements*, *required supplementary information*, and a section that presents *combining statements* for non-major governmental funds and internal service funds. The report also presents budgetary comparison statements.

The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the City's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the City government, reporting the City's operations in *more detail* than the government-wide statements.

- The governmental fund statements tell how general government services were financed in the short term as well as what remains for future spending.
- Proprietary fund statements offer short-term and long-term financial information about the activities the government operates like businesses, such as utilities.

The basic financial statements also include *Notes to the Financial Statements* that explain some of the information in the financial statements and provide more detailed data. The basic financial statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Figure 1 shows how the individual sections of this annual report are arranged and related to one another.

Figure 2 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Figure 1

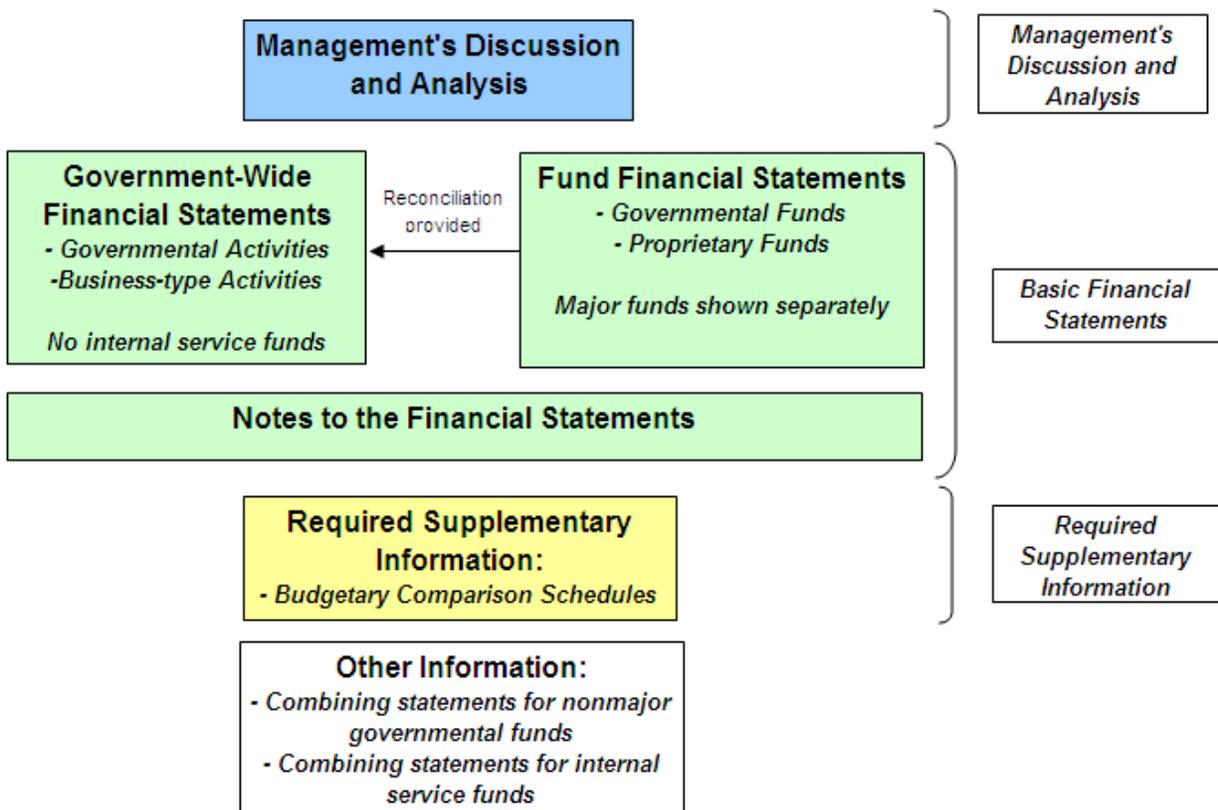


Figure 2

	-----Fund Statements-----		
	Government-wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire City government	The activities of the City that are not proprietary, such as police, public works, and parks and recreation	Activities the City operates similar to private businesses: The utilities and the golf course
Required financial statements	<ul style="list-style-type: none"> ▪ Statement of net position ▪ Statement of activities 	<ul style="list-style-type: none"> ▪ Balance sheet ▪ Statement of revenues, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> ▪ Statement of net position ▪ Statement of revenues, expenses, and changes in net position ▪ Statement of cash flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the City’s assets and deferred outflows of resources and all liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in the City’s net position are an indicator of whether its financial health is improving or deteriorating, respectively. To assess the overall health of the City, additional nonfinancial factors need to be considered, such as changes in the City’s tax base and the condition of the City’s infrastructure.

The government-wide financial statements of the City are divided into two categories:

Governmental activities – Most of the City's basic services are included here, such as the public safety, public works, parks and recreation, library services, and general administrative services. Sales and use taxes, property taxes, other taxes, charges for services, and intergovernmental revenue finance most of these activities.

Business-type activities – The City charges user fees to customers to recover most of the costs of providing certain services. The City's water, wastewater, storm water, and solid waste utilities, as well as golf facilities, are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant *funds* – not the City as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Some funds are required by State law and by bond covenants. Other funds are established by the City Council to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

All of the funds currently used by the City can be divided into two categories: governmental funds and proprietary funds:

- *Governmental funds* – Most of the City's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.
 - The City uses *enterprise funds* (one type of proprietary fund) to report its business-type activities and provide more detailed and additional information, such as cash flows.
 - The City uses *internal service funds* (the other type of proprietary fund) to report activities that provide services and asset replacement for the City's other programs and activities – such as the City's Fleet Management Fund. These funds are reported with governmental activities in the government-wide financial statements.

Government-Wide Financial Analysis

Net Position

As of December 31, 2016, the City's assets and deferred outflow of resources exceeded its liabilities and deferred inflow of resources by \$247.5 million (Figure 3). This amounts to an increase in combined net position of \$22.5 million, or 10.0%, from 2015 to 2016. The largest portion of the City's net position (80.3%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Figure 3
Schedule of Net Position
(millions)

	Governmental Activities		Business-type Activities		Total		Total % Of Change
	2015		2015		2015		
	2016	Restated	2016	2015	2016	Restated	
Current & Other Assets	\$ 32.3	\$ 28.0	\$ 32.6	\$ 48.1	\$ 64.9	\$ 76.1	-14.7%
Capital Assets - Net	114.8	106.2	129.4	99.9	244.2	206.1	18.5%
Total Assets	147.1	134.2	162.0	148.0	309.1	282.2	9.5%
Long-Term Debt Outstanding	7.6	4.3	38.9	39.6	46.5	43.9	5.9%
Other Liabilities	6.6	4.8	3.9	4.5	10.5	9.3	12.9%
Total Liabilities	14.2	9.1	42.8	44.1	57.0	53.2	7.1%
Total Deferred Inflows of Resources	4.5	4.2	-	-	4.5	4.2	7.1%
	4.5	4.2	-	-	4.5	4.2	7.1%
Net Position:							
Net Investment in Capital Assets	108.1	102.9	90.7	59.4	198.8	162.3	22.5%
Restricted	14.9	12.9	-	0.1	14.9	13.0	14.6%
Unrestricted	5.4	5.1	28.4	44.4	33.8	49.5	-31.7%
Total Net Position	\$ 128.4	\$ 120.9	\$ 119.1	\$ 103.9	\$ 247.5	\$ 224.8	10.1%

Sales and use tax are the City's largest revenue source and account for 30% of all revenues (Figure 4). Sales and use tax are the main funding source for the City's governmental activities. Charges for services are the main funding source for the City's business-type activities and account for 32% of all City revenue. The City's largest expenses come from business activities that include water, wastewater, storm water, solid waste, and golf course services (Figure 5).

Figure 4

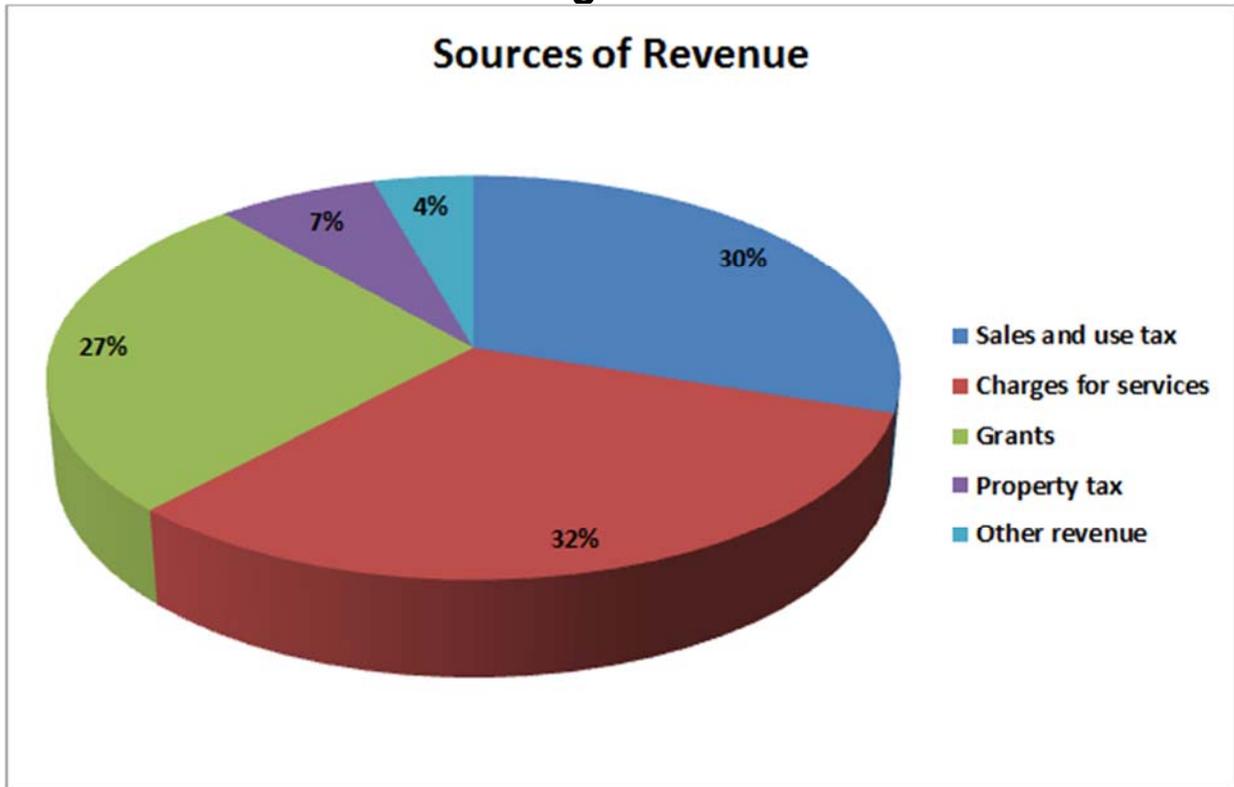
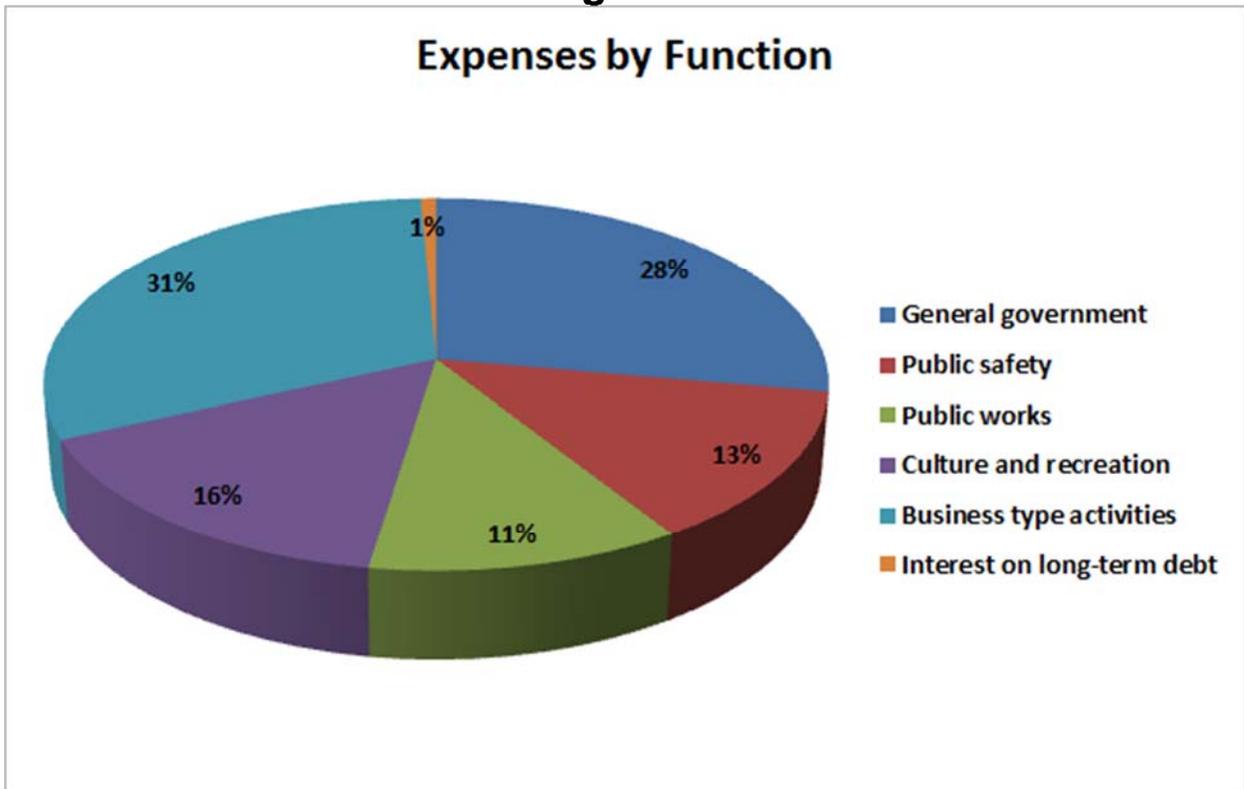


Figure 5



Changes in Net Assets

Governmental activities increased the City's net position by \$7.5 million during 2016. Business-type activities increased the City's net position by \$15.2 million during 2016.

Figure 6
Schedule of Changes in Net Position
(millions)

	Governmental Activities		Business-type Activities		Total	
	2015		2016	2015	2015	
	2016	Restated			2016	Restated
Revenues:						
Program Revenues:						
Charges for Services	\$ 5.7	\$ 4.5	\$ 12.9	\$ 10.5	\$ 18.6	\$ 15.0
Operating Grants & Contributions	0.8	1.0	-	-	0.8	1.0
Capital Grants & Contributions	2.7	1.5	12.1	4.9	14.8	6.4
General Revenues:						
Sales & Use Taxes	17.6	16.1	-	-	17.6	16.1
Property Taxes	4.1	3.5	-	-	4.1	3.5
Investment Earnings	0.2	0.1	0.2	0.1	0.4	0.2
Other	2.3	2.6	0.1	0.1	2.4	2.7
Total Revenues	33.4	29.3	25.3	15.6	58.7	44.9
Expenses:						
General Government	9.9	7.2	-	-	9.9	7.2
Public Safety	4.8	4.4	-	-	4.8	4.4
Public Works	4.1	5.6	-	-	4.1	5.6
Culture & Recreation	5.7	6.4	-	-	5.7	6.4
Interest on Long-Term Debt	0.3	0.2	-	-	0.3	0.2
Consolidated Utility	-	-	7.8	8.2	7.8	8.2
Golf	-	-	1.8	0.8	1.8	0.8
Solid Waste & Recycling	-	-	1.6	1.5	1.6	1.5
Total Expenses	24.8	23.8	11.2	10.5	36.0	34.3
Increase (decrease) in net position before transfers and extraordinary items						
	8.6	5.5	14.1	5.1	22.7	10.6
Transfers	(1.1)	(1.4)	1.1	1.4	-	-
Increase (decrease) in net position	\$ 7.5	\$ 4.1	\$ 15.2	\$ 6.5	\$ 22.7	\$ 10.6

Financial Analysis of Funds

As the City completed the year, its governmental funds reported a *combined* fund balance of \$20.3 million, an increase of \$2.1 million (11.6%) from the previous year. Some items to be noted, within various funds are:

- The General Fund balance remained relatively steady, declining by only \$35,000 (0.7%) during 2016.
- The Open Space & Parks Fund balance increased by \$1.0 million during 2016 due to positive actual –to-budget variances in both revenue and expenditures.
- As expected, the Capital Projects Fund balance declined significantly during 2016, dropping from \$5.6 million at the beginning of the year to \$3.4 million by the end of the year. However, the amount of decline was less than anticipated due to expenditures coming in at 72% of budget. Much of this unspent budget will be re-appropriated in 2017 in order to complete the unfinished capital projects approved for 2016.

General Fund Budgetary Highlights

For 2016, total General Fund revenue exceeded budget by nearly \$900,000. In addition, total General Fund expenditures (including transfers) were over \$500,000 under-budget. Therefore, positive variances in both revenue and expenditures resulted in actual fund balance exceeding budgeted fund balance by \$1.4 million.

Capital Asset and Debt Administration

Capital Assets

At the end of 2016, the City had invested \$346.4 million (Figure 7) in a broad range of capital assets, including land, water rights, streets, and utility infrastructure. Net of accumulated depreciation, the City’s capital assets total \$244.2 million. More detailed information on capital asset activity can be found in the notes to the financial statements, Note 6: Capital assets.

Figure 7
Net Change in Capital Assets
(millions)

	Governmental Activities		Business-type Activities		Total		Total % Of Change
	2016	2015	2016	2015	2016	2015	
Land, Easements, & CIP	\$ 37.1	\$ 33.5	\$ 34.0	\$ 16.7	\$ 71.1	\$ 50.2	41.6%
Water Rights	-	-	31.3	31.3	31.3	31.3	0.0%
Buildings	30.7	30.3	7.5	7.7	38.2	38.0	0.5%
Infrastructure	105.5	97.1	87.0	73.9	192.5	171.0	12.6%
Machinery & Equipment	7.7	7.5	4.4	3.8	12.1	11.3	7.1%
Capital Leases	0.1	-	1.1	-	1.2	-	
Total	\$181.1	\$168.4	\$165.3	\$133.4	\$346.4	\$301.8	14.8%

Long-term Debt

In 2014, the Urban Revitalization District (Louisville Revitalization Commission) received authorization to issue \$4.5 million of tax increment financing bonds for the DELO Project. The District issued \$750,000 of 7% tax increment financing bonds in 2014 and the remaining authorization of \$3,750,000 was issued in 2016. Payment on the bonds will not commence until the property tax increment generated by the DELO Project is sufficient to support payment. Full payment on the bonds is projected to occur prior to 2031. The District is a blended component unit of the City. The debt does not constitute a direct obligation of the City.

Figure 8
Net Change in Long-Term Debt
(millions)

	Governmental Activities		Business-type Activities		Total		Total % Of Change
	2016	2015	2016	2015	2016	2015	
General Obligation Bonds	\$ 2.0	\$ 2.6	\$ -	\$ -	\$ 2.0	\$ 2.6	-23.1%
Revenue Bonds & Notes	-	-	36.9	38.5	36.9	38.5	-4.2%
Tax Increment Financing Bonds	4.5	0.8	-	-	4.5	0.8	500.0%
Capital Leases	0.1	-	1.1	-	1.2	-	
Total	\$ 6.6	\$ 3.4	\$ 38.0	\$ 38.5	\$ 44.6	\$ 41.9	6.6%

Additional information on the City's long-term debt is provided in the Notes to the financial statements, Note 7: Long-term debt.

Bond Ratings

The 2004 Library Limited Tax General Obligation Library Bonds were issued with an insured rating (MBIA) from Standard & Poor's of AAA and an underlying rating of AA-. In early 2011, Standard & Poor's increased the underlying rating to AA. In early 2014, Standard & Poor's again increased the underlying rating to AA+.

On November 15, 2016, City of Louisville voters approved the issuance of up to \$28.6 million of general obligation bonds for the purpose of funding improvements to the Recreation/Senior Center and the Memory Square Pool facilities. In compliance with this voter authorization, on May 23, 2017, the City of Louisville issued \$27,215,000 of Limited Tax General Obligation Bonds, Series 2017. On March 31, 2017, Standard & Poor's assigned a rating of AA+ with a stable outlook.

Limitations on Debt

The state limits the amount of general obligation debt the City can issue to 3 percent of the actual value of all taxable property within the City's corporate limits. The current debt limit is \$131.0 million. In contrast, the City currently has only \$2.0 million in outstanding debt applicable to the debt limit.

Economic Factors and Next Year's Budgets and Rates

- Sales tax increased by 6.3% from 2015 to 2016. Since 2012, the average annual increase in sales tax revenue has been 7.1%. These increases are due to various new retail establishments coming into the City and a general increase on overall taxable sales. Staff projects sales tax revenue will continue to increase at an average annual rate of approximately 3.5% for 2017 through 2021.
- In 2012, due to a general decline in assessed valuation, the City experienced its first decline in property tax revenue in many years. From 2013 through 2015, property tax revenue increased modestly at an average rate of 1.9% per year. Due to a significant increase in the 2015 assessed valuation, property tax revenue for 2016 increased by 16.3% over 2015. This increase was due to a general property reassessment made by the Boulder County Assessor and new construction within the City. Staff expects the City's assessed valuation to increase at an average annual rate of 2%-3% for the next five years. The projected future increases are partially due to the new residential development at Steel Ranch, North End, commercial development in the Colorado Technology Center, and the Centennial Valley Business Park and redevelopment activity throughout the City. Any increase in the 2017 assessed valuation (affecting 2018 property tax revenue) will be tempered a bit by reductions in the State's Residential Assessment Rate, which will be reduced from 7.96% to 7.20%. This will reduce the amount of property tax that the City gets from residential property by approximately 9.5%.
- The City conducted a comprehensive utility system and rate study in late 2013 and early 2014. This study identified infrastructure replacements and improvements needed to enable the City's water, wastewater and storm water utilities to comply with new State and Federal regulations and to continue to provide safe and reliable water, and wastewater and storm water treatment. To fund these improvements, the City implemented a series of water, wastewater, and storm water rate increases from 2014 through 2016. Based on staff's latest analysis of the most recent projected costs and revenue, the City Council approved 2017 increases in wastewater rates of 7% and storm water rates of 4%. Staff estimates average annual rate increases of 3% for water, 6% for wastewater, and 3% for storm water over the next five years.

Staff and the City Council considered the above indicators when developing the City's biennial budget for 2017-2018. Total estimated expenditures for 2017, excluding inter-fund transfers, are currently \$55.6 million, which includes over \$18.6million in capital improvements.

Contact Information

This financial report is designed to provide the citizens, taxpayers, customers, investors, and creditors of the City of Louisville a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to City of Louisville, Finance Department, 749 Main Street, Louisville, Colorado 80027, (303) 335-4500.



COLORADO • SINCE 1878

Basic Financial Statements



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City of Louisville, Colorado
Statement of Net Position
December 31, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	Primary Government			Prior Year Total As Restated
	Governmental Activities	Business-type Activities	Total	
Assets:				
Pooled Cash and Investments	\$ 20,127,373	\$ 17,662,250	\$ 37,789,623	\$ 38,602,653
Restricted Cash	3,163,022	11,851,549	15,014,571	29,132,401
Receivables (net)				
Property Taxes	4,437,378	-	4,437,378	4,120,241
Sales and Use Taxes	1,817,501	-	1,817,501	1,672,226
Interest	37,171	28,902	66,073	52,098
Intergovernmental	2,298,212	2,264,559	4,562,771	1,247,351
Other	262,594	757,995	1,020,589	1,096,821
Inventories	15,252	27,715	42,967	40,550
Prepaid expenses	161,747	1,095	162,842	154,053
Capital assets:				
Non-depreciable capital assets	37,145,563	65,366,907	102,512,470	81,547,788
Other capital assets, net of depreciation	77,623,279	64,026,674	141,649,953	124,557,156
Total assets	<u>147,089,092</u>	<u>161,987,646</u>	<u>309,076,738</u>	<u>282,223,338</u>
Deferred Outflows of Resources:				
Loss on refunding	-	2,804	2,804	5,609
Total deferred outflows of resources	<u>-</u>	<u>2,804</u>	<u>2,804</u>	<u>5,609</u>
Liabilities:				
Accounts payable and accrued expenses	5,219,987	3,946,537	9,166,524	8,339,582
Deposits	1,352,122	-	1,352,122	976,437
Due to Other Funds	-	-	-	-
Noncurrent liabilities:				
Due within one year	518,174	1,681,597	2,199,771	2,142,705
Due in more than one year	7,081,448	37,250,725	44,332,173	41,724,248
Total liabilities	<u>14,171,731</u>	<u>42,878,859</u>	<u>57,050,590</u>	<u>53,182,972</u>
Deferred Inflows of Resources:				
Deferred revenue - property taxes	4,437,378	-	4,437,378	4,120,241
Deferred revenue - other	47,605	-	47,605	48,875
Total deferred inflows of resources	<u>4,484,983</u>	<u>-</u>	<u>4,484,983</u>	<u>4,169,116</u>
Net position:				
Net investment in capital assets	108,153,971	90,725,131	198,879,102	162,255,754
Restricted for:				
Emergency reserves (TABOR)	906,269	-	906,269	868,162
Debt service and capital projects	-	-	-	144,424
Library debt service	738,420	-	738,420	642,611
Open space & parks	4,005,324	-	4,005,324	3,000,000
Conservation sites	643,699	-	643,699	673,038
Historic Preservation	1,309,494	-	1,309,494	822,175
Capital improvements	6,775,788	-	6,775,788	6,410,095
Permanently Restricted for:				
Permanent fund - perpetual care	515,002	-	515,002	495,226
Unrestricted	5,384,411	28,386,460	33,770,871	49,565,374
Total net position	<u>\$ 128,432,378</u>	<u>\$ 119,111,591</u>	<u>\$ 247,543,969</u>	<u>\$ 224,876,859</u>

The notes to the financial statements are an integral part of this statement.

City of Louisville, Colorado
Statement of Activities
For the Year Ended December 31, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

Functions / Programs	Expenses	Charges for Services
Primary government:		
Governmental activities:		
General government	\$ 9,891,109	\$ 1,807,195
Public Safety	4,780,161	170,808
Public works	4,131,484	96,003
Culture & recreation	5,704,015	3,672,314
Interest on long-term debt	266,353	-
Total governmental activities	<u>24,773,122</u>	<u>5,746,320</u>
Business-type activities:		
Consolidated Utility	7,851,737	9,880,524
Golf	1,802,025	1,426,754
Solid Waste & Recycling	1,595,911	1,553,474
Total business-type activities	<u>11,249,673</u>	<u>12,860,752</u>
Total primary government	<u>\$ 36,022,795</u>	<u>\$ 18,607,072</u>

The notes to the financial statements are an integral part of this statement.

**Exhibit 2
(continued)**

Program Revenue		Net (Expense) Revenue and Changes in Net Position			Prior Year Total As Restated
Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
		Governmental Activities	Business-type Activities	Total	
\$ 89,385	\$ -	\$ (7,994,529)	\$ -	\$ (7,994,529)	\$ (5,324,742)
-	-	(4,609,353)	-	(4,609,353)	(4,296,915)
676,402	2,371,619	(987,460)	-	(987,460)	(3,694,641)
18,003	288,914	(1,724,784)	-	(1,724,784)	(3,385,573)
-	-	(266,353)	-	(266,353)	(179,807)
<u>783,790</u>	<u>2,660,533</u>	<u>(15,582,479)</u>	<u>-</u>	<u>(15,582,479)</u>	<u>(16,881,678)</u>
-	12,147,614	-	14,176,401	14,176,401	5,260,197
-	-	-	(375,271)	(375,271)	(239,125)
-	-	-	(42,437)	(42,437)	(43,691)
<u>-</u>	<u>12,147,614</u>	<u>-</u>	<u>13,758,693</u>	<u>13,758,693</u>	<u>4,977,381</u>
<u>\$ 783,790</u>	<u>\$ 14,808,147</u>	<u>(15,582,479)</u>	<u>13,758,693</u>	<u>(1,823,786)</u>	<u>(11,904,297)</u>
General revenue:					
Taxes:					
Property taxes		4,089,516	-	4,089,516	3,452,375
Sales tax		12,592,051	-	12,592,051	11,778,592
Use tax		4,996,965	-	4,996,965	4,305,785
Franchise tax		1,057,233	-	1,057,233	1,080,496
Other tax		789,592	-	789,592	748,861
Intergovernmental revenue		242,592	-	242,592	335,031
Investment earnings		180,038	148,545	328,583	177,233
Miscellaneous		285,967	108,397	394,364	593,200
Total general revenue		<u>24,233,954</u>	<u>256,942</u>	<u>24,490,896</u>	<u>22,471,573</u>
Transfers		(1,147,173)	1,147,173	-	-
Total general revenue, extraordinary items, and transfers		<u>23,086,781</u>	<u>1,404,115</u>	<u>24,490,896</u>	<u>22,471,573</u>
Change in net position		7,504,302	15,162,808	22,667,110	10,567,276
Net position, as previously reported		121,095,627	103,948,783	225,044,410	214,309,583
Restatement		(167,551)	-	(167,551)	-
Net position - beginning (as restated)		<u>120,928,076</u>	<u>103,948,783</u>	<u>224,876,859</u>	<u>214,309,583</u>
Net position - ending		<u>\$ 128,432,378</u>	<u>\$ 119,111,591</u>	<u>\$ 247,543,969</u>	<u>\$ 224,876,859</u>

The notes to the financial statements are an integral part of this statement.

**City of Louisville
Governmental Funds
Balance Sheet
December 31, 2016**

	<u>Major Special Revenue Funds</u>		<u>Major Capital Project Funds</u>		<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Open Space and Parks</u>	<u>Capital Projects</u>			
Assets:						
Pooled Cash and Investments	\$ 6,110,828	\$ 3,886,131	\$ 3,444,871	\$ 5,734,604	\$ 19,176,434	
Cash in escrow restricted for capital	-	-	-	3,163,022	3,163,022	
Receivables:						
Property taxes	2,797,993	-	-	1,639,385	4,437,378	
Sales and use taxes	1,087,221	192,603	473,475	64,202	1,817,501	
Other revenue	255,440	-	-	7,154	262,594	
Interest	12,946	4,487	5,470	12,592	35,495	
Intergovernmental	103,283	10,101	2,184,828	-	2,298,212	
Inventories	15,252	-	-	-	15,252	
Prepaid items	161,747	-	-	-	161,747	
Total assets	<u>\$ 10,544,710</u>	<u>\$ 4,093,322</u>	<u>\$ 6,108,644</u>	<u>\$ 10,620,959</u>	<u>\$ 31,367,635</u>	
Liabilities:						
Accounts payable	\$ 818,886	\$ 63,724	\$ 2,723,388	\$ 164,220	\$ 3,770,218	
Deposits	1,352,122	-	-	-	1,352,122	
Accrued liabilities	222,335	24,274	8,409	1,194,707	1,449,725	
Total liabilities	<u>2,393,343</u>	<u>87,998</u>	<u>2,731,797</u>	<u>1,358,927</u>	<u>6,572,065</u>	
Deferred Inflows of Resources:						
Deferred revenue - property taxes	2,797,993	-	-	1,639,385	4,437,378	
Deferred revenue - other	47,605	-	-	-	47,605	
Total deferred inflows of resources	<u>2,845,598</u>	<u>-</u>	<u>-</u>	<u>1,639,385</u>	<u>4,484,983</u>	
Fund Balances:						
Nonspendable:						
Inventories	15,252	-	-	-	15,252	
Prepays	161,747	-	-	-	161,747	
Cemetery care	-	-	-	515,002	515,002	
Restricted for:						
Emergency reserves (TABOR)	906,269	-	-	-	906,269	
Open space & parks	-	4,005,324	-	-	4,005,324	
Conservation sites	-	-	-	643,699	643,699	
Takoda Metro District improvements	-	-	235,466	-	235,466	
General capital improvements	-	-	3,141,381	-	3,141,381	
URD Improvements	-	-	-	3,398,941	3,398,941	
Historic preservation	-	-	-	1,309,494	1,309,494	
Debt service	-	-	-	738,420	738,420	
Committed to:						
Public access television capital	-	-	-	51,275	51,275	
Development impact capital	-	-	-	935,664	935,664	
Cemetery maintenance and capital	-	-	-	30,152	30,152	
Assigned	37,128	-	-	-	37,128	
Unassigned Fund Balance	4,185,373	-	-	-	4,185,373	
Total fund balance	<u>5,305,769</u>	<u>4,005,324</u>	<u>3,376,847</u>	<u>7,622,647</u>	<u>20,310,587</u>	
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,544,710</u>	<u>\$ 4,093,322</u>	<u>\$ 6,108,644</u>	<u>\$ 10,620,959</u>	<u>\$ 31,367,635</u>	

The notes to the financial statements are an integral part of this statement.

**City of Louisville
Reconciliation of the Balance Sheet
to the Statement of Net Position
December 31, 2016**

Balance sheet - total fund balances	\$	20,310,587
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Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:

Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and therefore are not reported in the funds. The amount is \$114,768,842 less the internal service funds of \$1,642,114		113,126,728
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Compensated absences are not recorded in government funds because they are not due and payable at year end.		(984,751)
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Internal service funds are used by management to charge the costs of certain activities, such as fleet and computer replacement to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		2,594,685
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Some liabilities, including bonds payable (\$6,515,000), premium on bonds payable (\$8,642), and capital leases payable (\$91,229) are not included in governmental funds. The premium will be amortized over the life of the bonds.		<u>(6,614,871)</u>
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Net position of governmental activities	\$	<u><u>128,432,378</u></u>
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The notes to the financial statements are an integral part of this statement.

City of Louisville, Colorado
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ending December 31, 2016

	General	Major Special Revenue Funds Open Space and Parks	Major Capital Project Funds Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenue:					
Taxes:					
Property taxes	\$ 2,748,806	\$ -	\$ -	\$ 1,340,710	\$ 4,089,516
Sales tax	7,169,673	1,380,932	3,581,127	460,319	12,592,051
Use tax	2,102,867	563,966	2,088,763	241,369	4,996,965
Lodging tax	500,223	-	-	-	500,223
Franchise tax	1,057,233	-	-	-	1,057,233
Other taxes	289,369	-	-	-	289,369
Licenses and Permits	1,592,848	-	-	1,429,414	3,022,262
Intergovernmental	1,293,407	15,000	2,208,419	244,791	3,761,617
Charges for services	2,073,431	-	-	44,970	2,118,401
Fines and forfeits	216,085	-	-	-	216,085
Miscellaneous:					
Investment income	64,194	21,845	32,050	54,769	172,858
Other	182,469	49,697	307,599	495	540,260
Total revenue	19,290,605	2,031,440	8,217,958	3,816,837	33,356,840
Expenditures:					
Current:					
General government	4,079,496	2,059,653	451,957	699,993	7,291,099
Planning and building safety	1,034,491	-	-	-	1,034,491
Police	4,719,015	-	-	-	4,719,015
Public works	2,164,982	-	-	-	2,164,982
Library and museum services	1,725,600	-	-	-	1,725,600
Parks and recreation	3,191,788	-	-	-	3,191,788
Capital outlay	-	313,463	10,328,444	2,377,410	13,019,317
Debt service:					
Principal	4,571	-	-	620,000	624,571
Interest	4,518	-	-	264,383	268,901
Total expenditures	16,924,461	2,373,116	10,780,401	3,961,786	34,039,764
Excess (deficiency) of revenues over expenditures	2,366,144	(341,676)	(2,562,443)	(144,949)	(682,924)
Other Financing Sources (Uses):					
Sale of Assets	-	-	-	198,884	198,884
Developer Contributions	-	-	-	50,690	50,690
Bond Proceeds	-	-	-	3,750,000	3,750,000
Bond Issuance Costs	-	-	-	(50,690)	(50,690)
Transfers in	-	1,347,000	342,200	905,494	2,594,694
Transfers (out)	(2,401,205)	-	-	(1,340,662)	(3,741,867)
Total other financing sources (uses)	(2,401,205)	1,347,000	342,200	3,513,716	2,801,711
Net Change in Fund Balance	(35,061)	1,005,324	(2,220,243)	3,368,767	2,118,787
Fund Balance, as previously reported	5,340,830	3,000,000	5,597,090	4,421,431	18,359,351
Restatement	-	-	-	(167,551)	(167,551)
Fund Balance, January 1, as restated	5,340,830	3,000,000	5,597,090	4,253,880	18,191,800
Fund Balance, December 31	\$ 5,305,769	\$ 4,005,324	\$ 3,376,847	\$ 7,622,647	\$ 20,310,587

The notes to the financial statements are an integral part of this statement.

**City of Louisville
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2015**

Net change in fund balances - total governmental funds	\$	2,118,787
<p>Amounts reported for governmental activities in the statement of net activities (Exhibit 2) are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which net capital outlays (\$14,205,413) exceeded depreciation (\$4,181,730) in the current period.</p>		10,023,683
Net book value of disposed assets in the governmental funds.		(1,501,229)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		(59,855)
The issuance of bonds is revenue in the governmental funds, but increases long-term liabilities in the statement of net position. This is the amount of additional bonded debt.		(3,750,000)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount of debt repayments.		625,671
Internal service funds are used by management to charge the costs of certain activities, such as fleet, computer replacement, and building maintenance to individual funds. The aggregate net revenue of the internal service funds is reported with governmental activities.		47,245
Change in net position of governmental activities	\$	7,504,302

The notes to the financial statements are an integral part of this statement.

City of Louisville, Colorado
Proprietary Funds
Statement of Net Position
December 31, 2016

	Enterprise Funds			Internal Service Funds	
	Consolidated Utility	Golf Course	Solid Waste & Recycling		Total
Assets:					
Current assets:					
Pooled cash and investments	\$ 17,326,478	\$ 335,772	-	\$ 17,662,250	\$ 950,939
Cash in escrow restricted for capital projects	11,851,549	-	-	11,851,549	-
Receivables:					
Interest	28,298	604	-	28,902	1,676
Accounts (net of allowance for doubtful accounts)	495,990	10,399	251,606	757,995	-
Grants	2,264,559	-	-	2,264,559	-
Inventories	-	27,715	-	27,715	-
Prepaid expenses	-	1,095	-	1,095	-
Total current assets	<u>31,966,874</u>	<u>375,585</u>	<u>251,606</u>	<u>32,594,065</u>	<u>952,615</u>
Noncurrent assets:					
Capital assets:					
Property, plant and equipment:					
Land / land improvements	1,262,961	4,766,164	-	6,029,125	-
Water rights	31,340,150	-	-	31,340,150	-
Construction-in-progress	27,997,632	-	-	27,997,632	-
Buildings	6,444,472	1,070,630	-	7,515,102	374,536
Improvements other than buildings	131,088	4,020,399	-	4,151,487	-
Treatment / pumping plants	22,338,674	-	-	22,338,674	-
Reservoirs / storage facilities	7,635,853	-	-	7,635,853	-
Collection and distribution systems	52,848,738	-	-	52,848,738	-
Machinery and equipment	2,986,263	900,631	-	3,886,894	2,879,839
Office furniture and fixtures	457,244	5,208	-	462,452	140,752
Capital Leases	1,108,100	-	-	1,108,100	-
Less: Accumulated depreciation	<u>(34,171,911)</u>	<u>(1,748,715)</u>	<u>-</u>	<u>(35,920,626)</u>	<u>(1,753,013)</u>
Total capital assets (net of accumulated depreciation)	<u>120,379,264</u>	<u>9,014,317</u>	<u>-</u>	<u>129,393,581</u>	<u>1,642,114</u>
Total noncurrent assets	<u>120,379,264</u>	<u>9,014,317</u>	<u>-</u>	<u>129,393,581</u>	<u>1,642,114</u>
Total assets	<u>\$ 152,346,138</u>	<u>\$ 9,389,902</u>	<u>\$ 251,606</u>	<u>\$ 161,987,646</u>	<u>\$ 2,594,729</u>
Deferred Outflows of Resources:					
Loss on refunding	2,804	-	-	2,804	-
Total deferred outflows of resources	<u>\$ 2,804</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,804</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

	Enterprise Funds				Internal Service Funds
	Consolidated Utility	Golf Course	Solid Waste & Recycling	Total	
Liabilities:					
Current liabilities:					
Accounts payable	\$ 3,200,708	\$ 16,263	\$ 139,990	\$ 3,356,961	\$ 44
Bank Overdraft	-	-	106,880	106,880	-
Accrued liabilities	356,902	123,668	2,126	482,696	-
Compensated absences payable - current	22,338	5,286	1,093	28,717	-
Bonds and notes payable - current	1,599,317	-	-	1,599,317	-
Capital lease payable - current	53,563	-	-	53,563	-
Total current liabilities	<u>5,232,828</u>	<u>145,217</u>	<u>250,089</u>	<u>5,628,134</u>	<u>44</u>
Long-term liabilities:					
Compensated absences payable	180,738	42,766	8,847	232,351	-
Bonds and notes payable	35,995,987	-	-	35,995,987	-
Capital lease payable	1,022,387	-	-	1,022,387	-
Total long-term liabilities	<u>37,199,112</u>	<u>42,766</u>	<u>8,847</u>	<u>37,250,725</u>	<u>-</u>
Total liabilities	<u>42,431,940</u>	<u>187,983</u>	<u>258,936</u>	<u>42,878,859</u>	<u>44</u>
Net Position:					
Net investment in capital assets	81,710,814	9,014,317	-	90,725,131	1,642,114
Unrestricted	28,206,188	187,602	(7,330)	28,386,460	952,571
Total net position	<u>\$ 109,917,002</u>	<u>\$ 9,201,919</u>	<u>\$ (7,330)</u>	<u>\$ 119,111,591</u>	<u>\$ 2,594,685</u>

The notes to the financial statements are an integral part of this statement.

City of Louisville, Colorado
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended December 31, 2016

	Enterprise Funds				Internal Service Funds
	Consolidated Utility	Golf Course	Solid Waste & Recycling	Total	
Operating revenue:					
Charges for services:					
Water, wastewater, and storm water sales	\$ 9,579,418	\$ -	\$ -	\$ 9,579,418	-
Golf course sales	-	1,422,254	-	1,422,254	-
Solid waste and recycling sales	-	-	1,537,734	1,537,734	-
Other sales for services	301,106	4,500	15,740	321,346	326,212
Total operating revenue	<u>9,880,524</u>	<u>1,426,754</u>	<u>1,553,474</u>	<u>12,860,752</u>	<u>326,212</u>
Operating expenses:					
Cost of sales and services	4,837,653	1,280,970	1,406,068	7,524,691	24,682
Administration	730,995	105,657	189,843	1,026,495	-
Depreciation and amortization	1,986,092	384,670	-	2,370,762	261,465
Total operating expenses	<u>7,554,740</u>	<u>1,771,297</u>	<u>1,595,911</u>	<u>10,921,948</u>	<u>286,147</u>
Operating income (loss)	<u>2,325,784</u>	<u>(344,543)</u>	<u>(42,437)</u>	<u>1,938,804</u>	<u>40,065</u>
Nonoperating revenue (expenses)					
Investment income	145,625	2,689	231	148,545	7,180
Grant revenue	2,820,408	-	-	2,820,408	-
Interest expense	(199,315)	(8,257)	-	(207,572)	-
Amortization of bond premium	37,625	-	-	37,625	-
Gain on Debt Defeasance	60,719	-	-	60,719	-
Loss on asset write-off	(97,682)	(22,471)	-	(120,153)	-
Total nonoperating revenue (expenses)	<u>2,767,380</u>	<u>(28,039)</u>	<u>231</u>	<u>2,739,572</u>	<u>7,180</u>
Income (loss) before, capital contributions, extraordinary items, and transfers	5,093,164	(372,582)	(42,206)	4,678,376	47,245
Capital contributions - tap fees and other	9,327,206	10,053	-	9,337,259	-
Transfers in	-	1,147,173	-	1,147,173	-
Change in net position	<u>14,420,370</u>	<u>784,644</u>	<u>(42,206)</u>	<u>15,162,808</u>	<u>47,245</u>
Net position January 1	<u>95,496,632</u>	<u>8,417,275</u>	<u>34,876</u>	<u>103,948,783</u>	<u>2,547,440</u>
Net position December 31	<u>\$ 109,917,002</u>	<u>\$ 9,201,919</u>	<u>\$ (7,330)</u>	<u>\$ 119,111,591</u>	<u>2,594,685</u>

The notes to the financial statements are an integral part of this statement.

City of Louisville, Colorado
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2016

	Enterprise Funds				Internal Service Funds
	Consolidated Utility	Golf Course	Solid Waste & Recycling	Total	
Cash flows from operating activities:					
Receipts from customers	\$ 8,355,521	\$ 1,416,497	\$ 1,539,433	\$ 11,311,451	\$ 326,212
Payments to suppliers	(3,448,573)	(526,698)	(1,439,959)	(5,415,230)	(88,577)
Payments to employees	(2,771,052)	(812,098)	(99,656)	(3,682,806)	-
Net cash provided (used) by operating activities	<u>2,135,897</u>	<u>77,701</u>	<u>(182)</u>	<u>2,213,416</u>	<u>237,635</u>
Cash flows from noncapital financing activities:					
Internal activity - payments to other funds	-	(1,147,173)	-	(1,147,173)	-
Internal activity - payments from other funds	1,147,173	1,147,173	-	2,294,346	-
Net cash provided (used) by noncapital financing activities	<u>1,147,173</u>	<u>-</u>	<u>-</u>	<u>1,147,173</u>	<u>-</u>
Cash flows from capital and related financing activities:					
Capital contributions	8,466,452	-	-	8,466,452	-
Capital Grant Proceeds	2,820,408	-	-	2,820,408	-
Purchases of capital assets	(29,328,123)	(42,130)	-	(29,370,253)	(179,797)
Principal paid on capital debt	(1,658,195)	-	-	(1,658,195)	-
Interest paid on capital debt	(858,053)	-	-	(858,053)	-
Net cash provided (used) by capital and related financing activities	<u>(20,557,511)</u>	<u>(42,130)</u>	<u>-</u>	<u>(20,599,641)</u>	<u>(179,797)</u>
Cash flows from investing activities:					
Interest earnings	132,358	2,557	182	135,097	6,714
Net increase (decrease) in pooled cash and investments	<u>(17,142,083)</u>	<u>38,128</u>	<u>-</u>	<u>(17,103,955)</u>	<u>64,552</u>
Cash and cash equivalents, January 1	<u>46,320,111</u>	<u>297,644</u>	<u>-</u>	<u>46,617,755</u>	<u>886,387</u>
Cash and cash equivalents, December 31	<u>\$ 29,178,028</u>	<u>\$ 335,772</u>	<u>\$ -</u>	<u>\$ 29,513,800</u>	<u>\$ 950,939</u>
Reconciliation of operating income (loss) to net cash					
Operating income (loss)	\$ 2,325,784	\$ (344,543)	\$ (42,437)	\$ 1,938,804	\$ 40,065
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation and amortization expense	1,986,092	384,670	-	2,370,762	261,465
Change in assets and liabilities:					
Receivables	(1,525,003)	(10,399)	(14,041)	(1,549,443)	-
Inventories	-	142	-	142	-
Prepaid expenses	-	(1,095)	-	(1,095)	-
Compensated absences	1,865	23,790	6,690	32,345	-
Accounts payable	(652,504)	(17,484)	(22,714)	(692,702)	(63,895)
Accrued liabilities	(338)	42,620	1,264	43,546	-
Cash Overdraft	-	-	71,056	71,056	-
Net cash provided (used) by operating activities	<u>\$ 2,135,897</u>	<u>\$ 77,701</u>	<u>\$ (182)</u>	<u>\$ 2,213,416</u>	<u>\$ 237,635</u>
Non-cash capital and related financing activities					
Contributed assets	<u>\$ 860,804</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 860,804</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.



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COLORADO • SINCE 1878

Notes to the Financial Statements

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City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 1: Summary of significant accounting policies

The City of Louisville (City) was founded in 1878 and incorporated in 1882. The registered electors voted to become a home rule city on November 6, 2001 under the provisions of Article XX of the Constitution of the State of Colorado. The City is a municipal corporation governed by an elected mayor and six-member council. The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Reporting entity

The accompanying financial statements present the City and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the City's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the City, the primary government. A discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Governmental Accounting Standards Board (GASB) Statement 61, *The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34* provides additional criteria for classifying entities as component units to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude.

The City presently has one blended component unit included within the reporting entity; the Urban Revitalization District, which is presented as a special revenue fund. The City Council is essentially the governing body of the District, but appoints the Louisville Revitalization Commission (LRC) to oversee the general operations of the District. The City provides all administrative, financial, and legal support services to the District. By Cooperation Agreement between the City and the LRC, the City Council must approve the District's budget, expenditures made by the District, the issuance of debt, and the execution of contractual obligations. The City has no discretely presented component units.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 1: Summary of significant accounting policies (continued)

B. Government-wide and fund financial statements (continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

C. Measurement focus, basis of accounting, and financial statement presentation

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property taxes, sales and use taxes, franchise taxes, lodging taxes, intergovernmental revenue, and interest earnings associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Most other revenue items are considered to be measurable and available only when the City receives cash.

The City reports the following major governmental funds:

- The *General Fund* is the City's primary operating fund. It is used to account for most of the day-to-day operations of the City, which are financed from sales taxes, property taxes, and other general revenues. Activities financed by the General Fund include those of line and staff departments within the City, except for activities of the enterprise funds.

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 1: Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

- The *Open Space & Parks Fund* is a special revenue fund and accounts for a temporary sales and use tax of three-eighths percent (3/8%) to be in effect for ten years, beginning January 1, 1994. The voters extended this tax in 2002 for another ten years beginning January 1, 2004 and extended the tax again in 2012 for another ten years beginning January 1, 2014 and ending on December 31, 2023. Revenues from the three-eighths percent are used exclusively for the acquisition and maintenance of land in and around Louisville for open space buffer zones, trails, wildlife habitats, wetlands preservation, and parks.
- The *Capital Projects Fund* was created in 1985 to account for the service expansion fee and the major thoroughfare fee. These fees were collected through the building permit process and were restricted for construction or renovation of park and building facilities; improvements to streets, alleys, sidewalks, and trails; acquisitions of City trees, improvements to drainage system; and for capital equipment. This fund now accounts for the monies received from a one-percent (1%) sales tax, which became effective July 1, 1989. This one-percent sales tax funds various capital improvements and, in the past, has funded debt service on sales tax revenue bonds.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water, wastewater, and storm water utilities, the golf course, the solid waste enterprise funds, and the City's internal service funds are charges to customers for sales and services. The water and wastewater utilities recognize the portion of tap fees intended to recover the cost of connecting new customers to the system as operating revenue. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports the following major proprietary funds:

- The *Consolidated Utility Fund* accounts for the operations and capital needs to provide water, wastewater, and storm water services within the boundaries of the City.
- The *Golf Course Fund* accounts for the operations and capital needs of Coal Creek Golf Course. The 2016 fiscal year was the first full year of operations since the 2013 flood and subsequent reconstruction. The 2015 fiscal year had only six month of operations.
- The *Solid Waste & Recycling Fund* accounts for the operations of providing solid waste pickup and single-stream recycling.

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 1: Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

Additionally, the City reports the following fund type:

- *Internal Service Funds* account for fleet and technology replacements provided to all departments of the City. The activity of the Internal Service Funds has been eliminated from the government-wide financial statements.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources, then unrestricted resources as needed.

D. Assets, liabilities, and net position/fund balance

1. Cash, cash equivalents and investments

Cash and cash equivalents include cash on hand, amounts in demand deposits, amounts in local government investment pools, and investments with maturity dates within five years from the date acquired. Investments are stated at fair value.

2. Interfund receivables/payables and advances

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Advances from other funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

3. Inventories

Inventories are valued at cost, using the first-in/first-out method. The costs of inventories are recorded as an expense or expenditure when consumed rather than when purchased. The inventory balance, as reported in the fund financial statements, is offset by a fund balance reserve account in applicable

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 1: Summary of significant accounting policies (continued)

D. Assets, liabilities, and net position/fund balance (continued)

governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

4. Prepaid items

Payments made to vendors for services that will benefit periods beyond year-end are recorded as prepaid items. The prepaid balances, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

5. Restricted assets

Restricted assets in the enterprise funds are cash amounts set aside for completion of the wastewater treatment plant upgrade project. Restricted assets in the Urban Revitalization District Fund are proceeds in escrow from tax increment financing bonds restricted for specific capital projects.

6. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, traffic signals, trails, and similar items) purchased or constructed since 1980, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary fund types in the fund financial statements. Capital assets are defined by the City as assets with an initial individual cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related assets, as applicable.

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. In 2016, \$546,753 of interest on the CWRPDA loan was capitalized to the Wastewater Treatment Plant Upgrade project and \$111,986 of interest was capitalized to the City-Wide Storm Sewer Outfall project.

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 1: Summary of significant accounting policies (continued)

D. Assets, liabilities, and net position/fund balance (continued)

6. Capital assets (continued)

Property, plant, and equipment of the City are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building Improvements	30
Streets & Sidewalks	25 – 30
Water, Wastewater, & Storm Water Systems	25 – 50
Vehicles	3 – 7
Machinery & Equipment	5 – 10
Computer Equipment	3 – 10

7. Compensated absences

Upon termination, employees are paid for all unused time in their paid leave bank and compensatory time bank. Accumulated paid leave and compensatory time for employees paid out of governmental funds are recorded as a fund liability when due. All unused time is recorded as a liability in the governmental activities column in the Statement of Net Position. As the paid leave and compensatory time benefits accrue to employees of proprietary funds, an expense and liability is recorded in those funds.

8. Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

In the fund financial statements, governmental fund types recognize bond discounts and issuance costs in the current period. Bond premiums/discounts for proprietary fund types are capitalized and amortized on a straight-line basis over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums/discounts are presented as an increase in or reduction from the face amount of bonds payable. Bond issuance costs are expensed as incurred.

9. Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has only one item that qualifies for reporting in this category – the deferred charge on refunding reported in the government-wide statement of net position. A deferred

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 1: Summary of significant accounting policies (continued)

D. Assets, liabilities, and net position/fund balance (continued)

9. Deferred Outflows/Inflows of Resources (continued)

charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred over the shorter of the life of the refunded or refunding debt.

Deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category – deferred revenues from two sources: property taxes and miscellaneous other, which includes small amounts of revenue received in 2016 for recognition in 2017, such as sales taxes and animal licenses. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

10. Fund Balances

The City reflects fund balances in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54)*. This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires that all fund balance amounts be properly reported within one of the following fund balance categories:

1. *Nonspendable*, such as fund balance associated with inventories, prepaid expenditures, and long-term loans and notes receivable.
2. *Restricted* fund balance category includes amounts that can be spent only for specific purposes as stipulated by external resource providers or by law through constitution provisions or enabling legislation.
3. *Committed* fund balance classification includes amounts that can be used only for the specific purposes as determined by City Council ordinance. An ordinance is required to establish, rescind, or modify a fund balance commitment.
4. *Assigned* fund balance classifications are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. As of December 31, 2016, the City Council has not authorized any official to assign fund balance other than through the execution of purchase orders.
5. *Unassigned* fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. The General Fund is the only fund that can report a positive unassigned fund balance. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in those funds.

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 1: Summary of significant accounting policies (continued)

D. Assets, liabilities, and net position/fund balance (continued)

10. Fund Balances (continued)

The City does not have an accounting policy regarding which resources (restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available and by default has determined restricted amounts to be reduced first, followed by committed amounts, then assigned amounts, and then unassigned amounts.

Per Resolution No. 92, Series 2015, the City established a reserve policy in which the General Fund, Open Space and Parks Fund, and the Cemetery Fund will each maintain a minimum fund balance of 15% of current operating expenditures. The reserve policy states that the Combined Utility Fund will maintain a minimum working capital balance of 25% of current operating expenses.

In compliance with GASB 54, the City has reported fund balance at December 31, 2016 in the following manner:

Nonspendable: The City maintains an inventory of fuel for various vehicles and equipment (\$15,252). The City has prepaid various amounts in 2016 that will be recorded as expenditures in 2017 (\$161,747). The total equity within the Cemetery Perpetual Care Fund, a Permanent Fund, is non-spendable (\$515,002).

Restricted: The Taxpayer's Bill of Rights (TABOR) requires a certain level of reserves within the City's General Fund. The City has calculated a required reserve of \$906,269 at December 31, 2016. The total equity within the Open Space & Parks Fund (\$4,005,324), which contains proceeds from a 3/8% sales and use tax, is restricted by voter approval to acquisition and maintenance of open space and parks. The total equity in the Conservation Trust – Lottery Fund (\$643,699), which contains State lottery proceeds, is restricted by State law to acquisition and development of conservation sites. The Capital Projects Fund contains a contribution from the Takoda Metropolitan District (\$235,466) that is restricted by intergovernmental agreement for specific capital improvements. The remaining equity within the Capital Projects Fund (\$3,141,381), which includes proceeds from a 1% sales & use tax, is restricted by voter approval for general capital improvements. The total equity within the Urban Revitalization District Fund (\$3,398,941) is restricted to improvements within the district or services related to district operations. The total equity in the Historic Preservation Fund (\$1,309,494), which contains proceeds from a 1/8% sales and use tax, is restricted by voter approval for historic preservation purposes. The total equity in the Debt Service Fund (\$738,420) is restricted by voter approval for debt service on the City's 2004 General Obligation Library Bonds.

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 1: Summary of significant accounting policies (continued)

D. Assets, liabilities, and net position/fund balance (continued)

10. Fund Balances (continued)

Committed: The total equity within the PEG Fees Fund (\$51,275), which contains proceeds from a 50-cent per account, per month cable television fee, is committed by Council action to capital outlay for public access television. The total equity within the Impact Fee Fund (\$935,664), which contains proceeds from developer impact fees, is committed by Council action for specific growth-related capital projects. The total equity within the Cemetery Fund (\$30,152) is committed by Council action to cemetery maintenance and improvements.

Assigned: The total amount of encumbrances (outstanding purchase orders) within the General Fund at December 31, 2016 was \$37,128.

11. Contraband forfeitures

In accordance with the Colorado Contraband Forfeiture Act (CRS-16-13-501 to 511) forfeitures from the seizure of contraband are used for the specific purpose of law enforcement activities. These funds are included in the City's General Fund.

12. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates that could affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

13. Comparative Data

Certain comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, complete comparative data in accordance with generally accepted accounting principles has not been presented since its inclusion would make the financial statements unduly complex and difficult to read.

14. Reclassification

Certain reclassification of amounts previously reported have been made to the accompanying financial statements to maintain consistency between the periods presented. The reclassifications had no impact on net position or change in net position.

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 2: Stewardship, compliance, and accountability

A. Budgetary information

Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for the proprietary funds are adopted on a basis consistent with GAAP, except that the budgeted expenditures also include capital outlay and bond principal payments and exclude depreciation. Council legally adopts all governmental and proprietary fund budgets. The level on which expenditures may not exceed appropriations is the legally adopted annual operating budget for each fund. All annual appropriations lapse at year end. The City Council may amend the budget by resolution. The City requires all governmental and all proprietary funds adopt an annual budget.

On or before the first day of September, each department director submits to the City Manager the department's proposed budget for the next fiscal year. On or before the third Tuesday in October, the City Manager submits to the Council the proposed budget for the next fiscal year. Within fourteen days after receiving the proposed budget from the City Manager, City Council sets the date and time for at least one public hearing on the proposed budget. On or before December 15, the City Council adopts the budget by resolution.

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting – under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is utilized in all funds. Encumbrances outstanding at year-end are continued into the subsequent year. Encumbrances at year-end do not constitute expenditures or liabilities because the commitments will be re-appropriated during the subsequent year.

B. Excess of expenditures over appropriations

For the year ended December 31, 2016, total expenditures (including interfund transfers out) did not exceed total appropriations in any of the City's funds.

Note 3: Deposits and investments

A. Cash and deposits

As of December 31, 2016 the summary of the carrying values of deposits and investments is as follows:

Petty Cash	\$ 3,550
Deposits	17,417,320
Investments (at fair value)	35,383,324
	<u>\$ 52,804,194</u>

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 3: Deposits and investments (continued)

A. Cash and deposits (continued)

Deposits include \$15.0 million of restricted cash, the majority of which is the amount of unspent loan proceeds from the Colorado Water Resources and Power Development Authority (\$11.9 million). These funds are restricted to financing the Wastewater Treatment Plant Upgrade project and the City-Wide Storm Sewer Outfall Improvements project. The remainder amount of restricted cash is unspent bond proceeds of the Urban Revitalization District.

The Colorado Public Deposit Protection Act ("PDPA") requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by State regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The City has \$644,874 of FDIC-insured deposits and \$16,776,832 of collateralized deposits under PDPA as of December 31, 2016.

B. Investments

The types of investments which are authorized to be made with City funds are controlled by State statutes and the investment policies of the City. Colorado statutes and the City's investment policies specify investments instruments meeting defined risk criteria ratings in which the City may invest:

- a. Any security issued by, fully guaranteed by, or for which the full credit of the United States Treasury is pledged for payment.
- b. Any security issued by, fully guaranteed by, or for which the full credit of the following is pledged for payment: The Federal Farm Credit Bank, a Federal Home Loan Bank, the Federal Home Loan Mortgage Corporation, and the Federal National Mortgage Association.
- c. Any security that is a general obligation of any state of the United States.
- d. Any interest in a local government investment pool.
- e. Any corporate bank security issued by a corporation or bank that is organized and operated within the United States.
- f. Any money market fund that is registered as an investment company under the federal "Investment Company Act of 1940".
- g. The purchase of any repurchase agreement of marketable securities.

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 3: Deposits and investments (continued)

B. Investments (continued)

At December 31, 2016, the City's investments are categorized as follows:

Account Description	Ratings	Maturity		Total
		< 1 Year	1-5 Years	
LGIP - CSAFE	AAAm S&P	\$ 799,297	\$ -	\$ 799,297
LGIP - COLOTRUST	AAAm S&P	2,985,098	-	2,985,098
U.S. Gov't Securities	AA+/stable S&P	10,752,242	14,867,889	25,620,131
Commercial Paper	A1+ S&P	3,236,803	2,741,995	5,978,798
Total Investments		\$ 17,773,440	\$ 17,609,884	\$ 35,383,324

Local Government Investment Pools (LGIP's) – At December 31, 2016, the City had \$799,297 and \$2,985,098 invested in the Colorado Surplus Asset Fund Trust (CSAFE) and the Colorado Local Government Liquid Asset Trust (COLOTRUST), local government investment pools, respectively. The pools operate under the Colorado Revised Statutes (24-75-701) and are overseen by the Colorado Securities Commissioner. The pools invest in securities that are specified by the Colorado Revised Statutes (24-75-601). ColoTrust has a daily redemption frequency period and a one-day redemption notice period. CSAFE is valued at amortized cost and ColoTrust is valued at NAV. Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper rated A1 or better, and bank deposits (collateralized through PDPA). The pools operate similar to a 2a-7-like money market fund with a share value equal to \$1.00 and a maximum weighted average maturity of 60 days. The pools are rated AAAm by the Standards & Poor's Corporation. A custodial bank provides banking services and trust custody for securities held on behalf of the participating governments in the pools. The custodian's internal records identify the investments owned by the participating governments.

Interest Rate Risk – In accordance with the City's Investment Policy and State statutes, the City manages its exposure to declines in fair value losses arising from increased interest rates by limiting the maturity date of investment securities to five years from the date of purchase.

Credit Risk – The City's Investment Policy and Colorado statutes limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by a NRSRO. State statutes limit investments in U.S. Agency securities to the highest rating issued by at least two NRSROs.

Concentration of Credit Risk – The City's Investment Policy and State statutes do not limit the amount the City may invest in one issuer. At December 31, 2016, (excluding LGIP's) the City's investments in US Treasury securities represented 45% of total investments, Commercial Paper represented 18% of total investments, Freddie Mac represented 15% of total investments, Fannie Mae securities represented 11% of total investments, Federal Farm Credit Bank securities.

**City of Louisville
Notes to the Financial Statements
December 31, 2016**

Note 3: Deposits and investments (continued)

B. Investments (continued)

represented 6% of total investments, and Federal Home Loan Bank securities represented 6% of total investments.

The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of assets. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Investments	Fair Value	Level 1	Level 2	Level 3
U.S. Gov't Securities	\$ 25,620,131	\$25,620,131	\$ -	\$ -
Commercial Paper	5,978,798	-	5,978,798	-
Total	\$ 31,598,929	\$25,620,131	\$ 5,978,798	\$ -
LGIP - CSAFE (at cost)	799,297			
LGIP - COLOTRUST (at NAV)	2,985,098			
Total	\$ 35,383,324			

Note 4: Receivables

A. Property taxes

Property taxes are attached as an enforceable lien on property as of January 1. Taxes are certified by December 31, levied on January 1 and paid in either one installment on April 30, or two installments on February 28 and June 15. Boulder County bills and collects the City's property taxes. Property taxes are recognized as receivables and deferred revenues when a lien is placed on the property, and as revenue when due for collection in the following year.

B. Allowance for doubtful accounts

Due to the City's ability to successfully collect on accounts, there was no allowance for doubtful accounts in the Consolidated Utility Fund, the Solid Waste & Recycling Fund, and the Golf Course Fund at December 31, 2016.

Note 5: Inter-fund receivables/payables, advances, and transfers

The advances to/from funds represent inter-fund loans. As of January 1, 2016, there was an outstanding inter-fund loan from the Consolidated Utility Fund to the

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 5: Inter-fund receivables/payables, advances, and transfers (continued)

Golf Course Fund in the amount of \$1,138,916. This loan originated from a \$700,000 advance in 2008, a \$370,000 advance in 2009, and a \$655,000 advance in 2010. Accrued interest has been applied annually on the outstanding balance.

Section 13-3(b) of the City of Louisville Charter states that any loan of money derived from a City-owned utility to any other City-owned utility, or to any other City fund, shall be approved by ordinance, the motion approving the loan shall specify the term of the loan and the interest rate, and the interest rate shall be adjusted annually to a rate equal to the average return of City investments for the preceding twelve (12) months. The Golf Course Fund completely repaid the loan during the 2016 fiscal year. There are no other outstanding inter-fund loans as of December 31, 2016.

The permanent movement of resources from one fund to another represent inter-fund transfers. The inter-fund transfers occurring in 2016 are as follows:

Transfers Out	Transfers In						Total
	Open Space & Parks Fund	Cemetery Fund	Parking Improvmt Fund	Capital Projects Fund	Impact Fee Fund	Golf Course Fund	
General Fund	\$ 280,000	\$ 84,667	\$ 688,484	\$ 72,500	\$ 128,381	\$ 1,147,173	\$ 2,401,205
Cemetery Perpetual Care Fund	-	3,962	-	-	-	-	3,962
Impact Fee Fund	1,067,000	-	-	269,700	-	-	1,336,700
Total	\$1,347,000	\$ 88,629	\$ 688,484	\$ 342,200	\$ 128,381	\$ 1,147,173	\$ 3,741,867

In 2016, the General Fund made a transfer to the Open Space & Parks Fund to subsidize an operational deficit. Staff anticipates that transfers from the General Fund to the Open Space & Parks Fund will be ongoing in order to fund expected deficits.

The General Fund and the Cemetery Perpetual Care Fund make annual transfers to the Cemetery Fund to help cover the cost of Cemetery operations. The annual transfer from the Cemetery Perpetual Care Fund is equal to the interest earned in the Cemetery Perpetual Care Fund.

In 2016, the General Fund made a one-time transfer to the Parking Improvement Fund to help fund property acquisition.

The General Fund also made one-time transfers to the Capital Projects Fund to help fund capital projects, to the Impact Fee Fund to fund a business assistance waiver, and to the Golf Course Fund to fund the defeasance of its inter-fund loan to the Consolidated Utility Fund.

The Impact Fee Fund makes an annual transfer to the Open Space & Parks Fund and the Capital Projects Fund to expend impact fee revenue for transportation, facility, and recreation projects that are deemed eligible for impact fee funding.

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 6: Capital assets

A. Governmental Activities

A summary of changes in capital assets for the year ended December 31, 2016 is as follows:

	Balance at 01/01/16	Corrections/ Adjustments	Reclasses	Additions	Deletions	Balance at 12/31/2016
Capital assets not being depreciated:						
Land and Easements	\$ 31,922,223	\$ (156,545)	\$ 20,000	\$ 1,092,819	\$ (925,906)	\$ 31,952,591
Construction in progress	1,609,707	860,137	(1,117,848)	3,840,976	-	5,192,972
Total capital assets, not being depreciated	33,531,930	703,592	(1,097,848)	4,933,795	(925,906)	37,145,563
Other capital assets:						
Buildings	30,256,228	338,636	467,512	194,906	(559,924)	30,697,358
Infrastructure improvements	97,113,835	(168,341)	624,865	7,940,307	-	105,510,666
Machinery and equipment	7,495,533	(152,956)	5,471	615,249	(286,243)	7,677,054
Capital leases - solar	-	96,900	-	-	-	96,900
Total other capital assets at historical cost	134,865,596	114,239	1,097,848	8,750,462	(846,167)	143,981,978
Less accumulated depreciation for:						
Buildings	(9,457,668)	(293,836)	-	(886,713)	-	(10,638,217)
Infrastructure improvements	(48,796,656)	130,956	-	(2,912,833)	-	(51,578,533)
Machinery and equipment	(3,912,046)	142,902	-	(637,592)	270,843	(4,135,893)
Capital leases - solar	-	-	-	(6,056)	-	(6,056)
Total accumulated depreciation	(62,166,370)	(19,978)	-	(4,443,194)	270,843	(66,358,699)
Other capital assets, net	72,699,226	94,261	1,097,848	4,307,268	(575,324)	77,623,279
Governmental activities capital assets, net	\$ 106,231,156	\$ 797,853	\$ -	\$ 9,241,063	\$ (1,501,230)	\$ 114,768,842
Depreciation expense was charged to functions as follows:						
General government				\$ 180,157		
Finance				-		
Public Safety				102,029		
Public works				2,533,764		
Culture & Recreation				1,365,779		
In addition, depreciation on capital assets held by the City's internal service funds (see Exhibit 5) is charged to the various functions based on the percentage of contribution to the fund.				261,465		
Total governmental activities depreciation expense				\$ 4,443,194		

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 6: Capital assets (continued)

B. Business-type activities

A summary of changes in capital assets for the year ended December 31, 2016 is as follows:

Business-type activities

	Balance at 01/01/16	Corrections/ Adjustments	Reclasses	Additions	Deletions	Balance at 12/31/2016
Capital assets not being depreciated:						
Land	\$ 6,029,124	\$ -	\$ -	\$ -	\$ -	\$ 6,029,124
Water rights	31,340,150	-	-	-	-	31,340,150
Construction in progress	10,646,584	298,880	(2,692,663)	19,744,832	-	27,997,633
Total capital assets not being depreciated	48,015,858	298,880	(2,692,663)	19,744,832	-	65,366,907
Other capital assets:						
Buildings	7,767,675	(252,574)	-	-	-	7,515,101
Infrastructure improvements	73,895,429	(329,339)	2,692,663	10,716,001	-	86,974,754
Machinery and equipment	3,767,478	152,956	-	428,913	-	4,349,347
Capital leases - solar	-	413,100	-	695,000	-	1,108,100
Total other capital assets at historical cost	85,430,582	(15,857)	2,692,663	11,839,914	-	99,947,302
Less accumulated depreciation for:						
Buildings	(788,932)	176,045	-	(176,622)	-	(789,509)
Infrastructure improvements	(31,007,433)	(13,164)	-	(1,815,888)	-	(32,836,485)
Machinery and equipment	(1,776,283)	(142,902)	-	(340,941)	-	(2,260,126)
Capital leases - solar	-	-	-	(34,506)	-	(34,506)
Total accumulated depreciation	(33,572,648)	19,979	-	(2,367,957)	-	(35,920,626)
Other capital assets, net	51,857,934	4,122	2,692,663	9,471,957	-	64,026,676
Business-type activities capital assets, net	\$ 99,873,792	\$ 303,002	\$ -	\$ 29,216,789	\$ -	\$ 129,393,583
Depreciation expense was charged to enterprises as follows:						
Business-type activities:						
Consolidated Utility				\$ 1,983,287		
Golf Course				384,670		
Total Business-type activities depreciation expense				\$ 2,367,957		

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 7: Long-term debt

A. Changes in long-term liabilities

A summary of changes in long-term liabilities for the year ended December 31, 2016 is as follows:

Governmental activities

	Balance at 1/1/2016	Corrections/ Adjustments	Additions	Reductions	Balance at 12/31/2016	Due within One Year
Bonds payable:						
Library General Obligation Bonds:						
2004 General Obligation Library Bonds	\$ 2,635,000	\$ -	\$ -	\$ (620,000)	\$ 2,015,000	\$ 405,000
Bond Premium	11,190	-	-	(2,548)	8,642	-
Total Library General Obligation Bonds:	2,646,190	-	-	(622,548)	2,023,642	405,000
2014 URA Tax Increment Financing Bonds	750,000	-	3,750,000	-	4,500,000	-
Total bonds payable	3,396,190	-	3,750,000	(622,548)	6,523,642	405,000
Capital leases - solar	-	96,900	-	(5,671)	91,229	4,874
Total bonds, loans, and leases payable	3,396,190	96,900	3,750,000	(628,219)	6,614,871	409,874
Other liabilities:						
Compensated absences	922,349	-	1,161,511	(1,099,109)	984,751	108,300
Governmental activities non-current liabilities	\$ 4,318,539	\$ 96,900	\$ 4,911,511	\$ (1,727,328)	\$ 7,599,622	\$ 518,174

Business-type activities

	Balance at 1/1/2016	Corrections/ Adjustments	Additions	Reductions	Balance at 12/31/2016	Due within One Year
Bonds, loans, and leases payable:						
2013 Water & Wastewater Refunding Bonds	\$ 7,035,000	\$ -	\$ -	\$ (705,000)	\$ 6,330,000	\$ 725,000
2015 CWRPDA Loan	31,451,348	-	-	(863,295)	30,588,053	874,317
Bond Premium	714,876	-	-	(37,625)	677,251	-
Total bonds payable	39,201,224	-	-	(1,605,920)	37,595,304	1,599,317
Windy Gap Lease [1]	118,469	-	-	(118,469)	-	-
Capital leases - solar	-	413,100	695,000	(32,150)	1,075,950	53,563
Total bonds, loans, and leases payable	39,319,693	413,100	695,000	(1,756,539)	38,671,254	1,652,880
Other liabilities:						
Compensated absences	228,721	-	318,329	(285,982)	261,068	28,717
Business-type activities non-current liabilities	\$ 39,548,414	\$ 413,100	\$ 1,013,329	\$ (2,042,521)	\$ 38,932,322	\$ 1,681,597

[1] The Windy Gap Lease obligation was completely defeased during 2016 due to a principal payment of \$57,750 and bond refunding conducted by the Northern Colorado Water District that eliminated the need for any additional future payments, resulting in the elimination of final payment (\$60,719).

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 7: Long-term debt (continued)

A. Changes in long-term liabilities (continued)

In the table above, the Balance at 1/1/2016 column includes the addition of \$96,900 for capital leases in the Governmental Activities section and \$413,100 for capital leases in the Business-Type Activities section. These amounts were not included in the Balance at 12/31/15 column in the City's 2015 financial report.

Compensated absences in both governmental and business-type activities are classified as long-term liabilities. The City estimates that the current portion of compensated absences is \$108,300 in the governmental funds and \$28,717 in the business type activity funds for a total of \$137,017. Compensated absences of the governmental activities are expected to be paid from the General Fund, Open Space & Parks Fund, Cemetery Fund, Historic Preservation Fund, and the Capital Projects Fund.

B. Bonds payable – government activities

The 2.0% - 4.25% Series 2004 Limited Tax General Obligation Library Bonds mature annually beginning on December 1, 2004 through December 2022. Remaining debt service at December 31, 2016 was \$2,015,000.

In 2014, the Urban Revitalization District (Louisville Revitalization Commission) received authorization to issue \$4.5 million of tax increment financing bonds for the DELO Project. The District issued \$750,000 of 7% tax increment financing bonds in 2014 and the remaining authorization of \$3,750,000 was issued in 2016. Payment on the bonds will not commence until the property tax increment generated by the DELO Project is sufficient to support payment. Full payment on the bonds is projected to occur prior to 2031. The District is a blended component unit of the City. The debt does not constitute a direct obligation of the City.

C. Bonds payable - enterprise funds

On September 13, 2013, the 2003 Series Colorado Water Resources and Power Development Authority loan was refinanced and completely paid on December 1, 2013 with the issuance of \$8,355,000 of 2013 Water & Wastewater Enterprise Revenue Refunding Bonds. The interest rate on the refunding bonds is 2.47%. Net available revenue of \$16,605,115 was available to pay 2016 debt service on the bonds of \$878,765. The remaining debt service on the refunding bonds at December 31, 2016 was \$7,053,463.

On May 28, 2015, the City executed a loan agreement with the Colorado Water Resources and Power Development Authority (CWRPDA). Under this agreement, the CWRPDA loaned the City \$31,641,348 at a subsidized yield of 2.18%.

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 7: Long-term debt (continued)

C. Bonds payable - enterprise funds (continued)

Proceeds from the loan were used to finance the Wastewater Treatment Plant Upgrade project and the City-Wide Storm Sewer Outfall Improvements project. Repayment of the loan will be made over 20 years with final payment in 2035. The source of payments will come from the water, wastewater, and storm sewer utility revenue. Net available revenue of \$15,726,350 was available to pay 2016 debt service on the bonds of \$1,543,601. The remaining debt service on the refunding bonds at December 31, 2016 was \$39,015,961.

D. Capital leases payable

In July 2015 and in August 2016, the City entered into lease purchase financing agreements with Alpine Bank to purchase portions of a community solar panel array from Clean Energy Collective (CEC). The interest rates on the leases range from 3.5% to 4.75%. Total solar panels acquired under the lease amount to \$1,205,000. Accumulated depreciation on the assets through December 31, 2016 equals \$40,562. Under the agreements, the City receives electric utility billing credits and Renewable Energy Certificate (REC) payments during the length of the lease. The credits and REC payments are expected to exceed the amount of the lease payments by approximately \$1.5 million over 20 years.

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 7: Long-term debt (continued)

E. Debt requirements to maturity

The annual debt service requirements for all bonds, notes, and capital leases outstanding as of December 31, 2016, are as follows:

Year	Governmental Activities			Business-Type Activities		
	General Obligation Bonds			Bonds & Notes		
	Principle	Interest	Total	Principle	Interest	Total
2017	\$ 405,000	\$ 78,400	\$ 483,400	\$ 1,599,316	\$ 822,407	\$ 2,421,723
2018	425,000	63,415	488,415	1,637,796	785,700	2,423,496
2019	435,000	47,265	482,265	1,681,451	743,548	2,424,999
2020	450,000	30,300	480,300	1,712,513	722,176	2,434,689
2021	300,000	12,300	312,300	1,749,968	671,787	2,421,755
2022-2026	-	-	-	9,422,238	2,702,006	12,124,244
2027-2031	-	-	-	10,160,767	1,957,642	12,118,409
2032-2036	-	-	-	8,954,004	746,110	9,700,114
Balance	\$ 2,015,000	\$ 231,680	\$ 2,246,680	\$ 36,918,053	\$ 9,151,376	\$ 46,069,429

Year	Governmental Activities			Business-Type Activities		
	Capital Lease			Capital Leases		
	Principle	Interest	Total	Principle	Interest	Total
2017	\$ 4,874	\$ 4,211	\$ 9,085	\$ 53,563	\$ 50,315	\$ 103,879
2018	5,114	3,971	9,085	56,201	47,678	103,879
2019	5,366	3,719	9,085	58,968	44,911	103,879
2020	5,630	3,455	9,085	61,871	42,007	103,878
2021	5,907	3,178	9,085	64,918	38,961	103,879
2022-2026	34,197	11,229	45,426	375,799	143,594	519,393
2027-2031	30,139	2,471	32,610	404,630	43,841	448,472
Balance	\$ 91,229	\$ 32,235	\$ 123,463	\$ 1,075,950	\$ 411,307	\$ 1,487,257

Note 8: Retirement commitments – employee pension plan

The City provides a qualified defined contribution pension plan, administered by the ICMA Retirement Trust, for all regular full-time and regular part-time employees. During the 2016 fiscal year, there were 202 plan members. This plan is provided through the ICMA Retirement Corporation Prototype 401(a) Money Purchase Plan and Trust. This plan does not meet the standards of generally accepted accounting principles for inclusion as part of the reporting entity.

In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are required to participate from date of employment. For 2016, the City required the employee to contribute 5.0% of earnings with the City matching 5.5% for the plan year. Plan provisions and contribution requirements have been adopted by the City Council. Changes to the plan can be made by the City Manager.

**City of Louisville
Notes to the Financial Statements
December 31, 2016**

Note 8: Retirement commitments – employee pension plan (continued)

Earnings include base pay, overtime, and any applicable bonuses. The City's matching contributions and earnings are vested as follows:

<u>Years of Service Completed</u>	<u>Specified Percent Vested</u>
Less than One	0%
One	50%
Two	100%

All administrative costs of the plan are borne by the participants of the plan. City contributions for, and interest forfeited by, employees who leave employment before partially or fully vested may be used to reduce future City contributions. The 2016 gross contributions were \$593,522 from employees and \$651,907 from the City for a total of \$1,245,429. Total forfeitures during 2016 were \$16,545. Wages paid by the City in 2016 totaled \$13,336,500, with regular full-time and regular part-time benefited employees receiving \$11,870,440.

In addition, employees may participate in an Internal Revenue Code 457 Plan on a voluntary basis. The City only makes contributions to the City Manager's 457 Plan, an amount equal to 10% of base salary.

Note 9: Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City carries commercial insurance for the risks of loss, including worker's compensation and property/casualty loss insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Limits of insurance coverage remain unchanged in the past three years.

Note 10: Commitments

A. Windy Gap

The Municipal Subdistrict, Northern Colorado Water Conservancy District (Subdistrict) was established July 6, 1970, pursuant to the Water Conservancy District Act. The Subdistrict is a political subdivision of the State of Colorado. In 1994, the City of Louisville entered into a lease purchase arrangement for three units of Windy Gap Water from the City of Greeley, Colorado. The Subdistrict currently provides a portion of the water supply for the cities of Boulder, Broomfield, Greeley, Longmont, Loveland, the Town of Estes Park, the Platte River Power Authority, and various other domestic water suppliers. There is no commitment at December 31, 2016.

In 2002, the City entered into an agreement with the Superior Metropolitan District No. 1 for the purchase of six units of Windy Gap Water. The Subdistrict was formed by six municipalities to develop supplemental water supplies. In 1981, the Subdistrict issued bonds to finance the cost of the Windy Gap Project. Under this

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 10: Commitments (continued)

A. Windy Gap (continued)

agreement, the City is responsible for all the Northern Colorado Water Conservancy District's continuing obligations for the payment of those assessments due and owing on the six units of Windy Gap Water beginning in 2003. There is no commitment at December 31, 2016.

The governing board of the Subdistrict is a Board of twelve (12) directors appointed for four-year terms by the presiding State District Court Judges of each of the four judicial districts located wholly or partly within the boundaries of the Northern Colorado Water Conservancy District. Officers are elected by the Board of Directors at its annual meeting. The City and other participating entities have no direct control over the Subdistrict's budgeting or financing.

In 1997, the City of Louisville received final acceptance and entered into the Subdistrict. On August 23, 1995 the City entered into an allotment contract for capacity in the connecting pipeline from the main pipeline referenced above to the Superior/Louisville pump station. From this point, Louisville has implemented, on their own, connections to their water treatment facilities.

The City repaid \$344,400 for preliminary and final design, project administration, environmental evaluations and other necessary work. The City provided \$948,600 for construction of the pipeline itself.

On January 14, 1994, the City entered into an allotment contract with the Northern Colorado Water Conservancy District (District), acting by and through the Southern Water Supply Project Water Activity Enterprise, for flow capacity in the Southern Water Supply Project Pipeline. The Southern Water Supply Project Pipeline begins below the Carter Lake Outlet Works and ends approximately 4 miles north of Louisville. Under this contract, the City, along with other Colorado governmental entities, has the perpetual exclusive right to use 2.58 million gallons per day of capacity in the Pipeline. The other entities and their flow capacity in the pipeline are the Cities of Broomfield (8.00), Fort Lupton (5.16), Fort Morgan (6.13), Longmont (8.71), the Towns of Berthoud (2.58), Erie (1.03), Hudson (1.03), and the Little Thompson/Central Weld County Water Districts (16.13). During 2001, the City purchased additional capacity in the Pipeline for \$374,315. This increased the City's capacity by an additional 80%.

B. Redevelopment Agreement

In December 2006, the City established the Louisville Revitalization Commission and approved an urban renewal plan for certain blighted areas within the City. In 2008, the Urban Revitalization District began collecting tax increment revenues to finance improvements in the blighted areas. The agreement expires in December 2032.

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 11: Business Assistance Agreements

The City has adopted a Business Assistance Program (BAP) to ensure it remains competitive in attracting quality business and development by leveraging the impact of a business opportunity to assist prospects in locating or expanding in the City. The program's criteria applies to primary job recruitment and retention, as well as retail recruitment and retention.

Assistance is generally provided in the form of building permit fee rebates, construction use tax rebates, and sales/use tax rebates. All rebates are based upon new dollars generated by the project in the early years of operation. The rebates must be earned by completing the project. Sales/use tax assistance is calculated on the City's total 3.5% sales/use tax rate, less the .0375% Open Space Tax and less the 0.125% Historic Preservation Tax. Based upon the new dollars generated by the project, the City rebates a percentage of those dollars back to the owner or developer (but not both). Assistance is available only upon formal City Council approval and there must be an assistance agreement in place prior to a location decision being made.

Since the program's inception in 2007, the City has executed 66 BAP agreements. The agreements range from a few thousand dollars over a year to over a million dollars over multiple years. Rebate recipients have included restaurants, retail developers, manufacturing, and high tech businesses. The total amount of rebates actually paid out during 2016 are shown in the following table.

Rebate Category	Rebate Amounts 2016
Sales Tax	\$ 304,047
Consumer Use Tax	204,390
Construction Use Tax	45,585
Building Permits	584,983
Impact Fees	128,381
Total	\$1,267,386

Note 12: Contingent liabilities

Litigation

Various suits and claims are pending against the City as of December 31, 2016. Although the outcome of such suits and claims cannot be predicted with certainty, the City believes that the final outcome of these matters will not materially affect the financial statements of the City and that adequate insurance coverage exists in most cases to cover any potential settlement.

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 13: Tax, spending, and debt limitations

At the November 3, 1992 general election, Colorado voters approved an amendment to the Colorado Constitution commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR became effective December 31, 1992, and its provisions limit government taxes, spending revenues, and debt without electoral approval. Since this time several ballot issues have been presented to the Louisville citizens that impact the limitation.

1993 – Open space tax approved.

1994 – Open space bond issue and the use tax on residential building materials were approved.

1996 – Authorization was given for the City to receive and expend all sales and use tax revenues, exempting these revenues from the TABOR limitation.

1997 – A revenue-sharing intergovernmental agreement was approved, exempting these revenues from the TABOR limitations.

1998 – The City Council, by ordinance, declared the Golf Course Fund an enterprise under the TABOR definition.

1999 – Authorization to keep and spend the revenues collected and received during 1998 and each subsequent year from fees, state and local grants, developer contributions, intergovernmental revenues and payments in lieu of land dedications.

2001 – Approval allowing the City to keep the excess property taxes collected in 2000 and exempts all future property taxes from the TABOR limitations.

2002 – Approval of a new Lodging Excise Tax in the amount of 3% and exempting these revenues from the TABOR limitations.

2002 – Extension of the open space tax for another ten years beginning on January 1, 1994 and ending on December 31, 2013 and exempting these revenues from the TABOR limitations.

2003 – Approval of the Library bond issue and the additional mill levy not to exceed 1.581 were approved.

2005 – A use tax on personal tangible property was placed on the ballot in 2005 and failed.

2006 – A use tax on personal tangible property was placed on the ballot in 2006 and failed.

2006 – The City Council, by ordinance, declared the Storm Water Utility Fund an enterprise under the TABOR definition.

2008 – Approval of a 1/8% sales tax for historic preservation purposes for a period of ten years beginning January 1, 2009.

2009 – The City Council, by ordinance, declared the Solid Waste & Recycling Utility Fund an enterprise under the TABOR definition.

2010 – Approval of a 3½% consumer use tax, of which 2% is unrestricted, 1% restricted for capital projects, 3/8% restricted for open space acquisition and maintenance, and 1/8% restricted for historic preservation purposes.

2012 – Extension of the open space tax for another ten years beginning January 1, 2014 and ending December 31, 2023 and exempting these revenues from TABOR limitations.

2016 – Approval of the Recreation Center/Memory Square Pool Improvement bond issue and the additional mill levy not to exceed 3.350 were approved. An additional 0.15% sales tax was also approved, effective January 1, 2018, for operating and maintaining the Recreation Center and Memory Square Pool.

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 13: Tax, spending, and debt limitations (continued)

Under the TABOR Amendment, all taxes (except as previously noted), licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenue (except developer contributions and payments in lieu of land dedications) are part of the limitation calculation. Transfers into the fund and debt service (except the open space bond) are deducted. The remainder may increase by the combination of the local growth rate and the rate of inflation in the Denver/Boulder Area.

TABOR Amendment provisions require that annual property tax revenue changes be restricted to the same growth rate applicable to the City's general spending. In 2001 the voters approved exemption from this provision.

The TABOR Amendment also requires the local government to reserve three percent of total expenditures for emergencies in 1995 and years thereafter. (The definition of an "emergency," under TABOR is restricted to natural events, but excludes "economic conditions, revenue shortfalls, or district salary or fringe benefit increase.") Accordingly, the City has reviewed the existing reserves and determined that a minimum of 3%, or \$906,269 existed at December 31, 2016, to comply with the provisions of the TABOR Amendment.

The TABOR Amendment excludes activities or funds considered to be "enterprises." The classification of an "enterprise" under the TABOR Amendment is based on three criteria: (1) the entity be considered a government-owned business; (2) the entity be authorized to issue its own revenue bonds; (3) the entity receive under 10% of its annual revenue in grants from all Colorado and local governments combined. The Water Utility Fund and Wastewater Utility Fund, as approved by Ordinance No. 1167 and 1168, Series 1994, were declared enterprises under the TABOR Amendment definition. These two funds were combined as one enterprise fund by Ordinance No. 1412, Series 2003.

Storm water activities were added to the Water and Wastewater Utility Fund by Ordinance No. 1502, Series 2006. The Golf Course Fund, as approved by Ordinance No. 1280, Series 1998, was given enterprise status in 1998. The Solid Waste & Recycling Fund, as approved by Ordinance No. 1554, Series 2009, was given enterprise status in 2009.

Note 14: Prior Period Adjustment

In 2015, the City over-collected \$167,199 in Impact Fee revenue from developers due to an error when calculating impact fees on multi-family developments. This restatement reduces the 2016 beginning fund balance of the Impact Fee Fund and the 2016 beginning net position of governmental activities by \$167,551, which includes \$352 of interest owed to the developers.

City of Louisville
Notes to the Financial Statements
December 31, 2016

Note 15: Subsequent Event

On November 15, 2016, City of Louisville voters approved the issuance of up to \$28.6 million of general obligation bonds for the purpose of funding improvements to the Recreation/Senior Center and the Memory Square Pool facilities. Voters approved a mill levy of up to 3.35 mills to pay debt service on the bonds and approved a new sales tax of 0.15% to pay for operating and maintenance costs. In compliance with this voter authorization, on May 23, 2017, the City of Louisville issued \$27,215,000 of Limited Tax General Obligation Bonds, Series 2017. The bond coupons range from 2.0%-4.0%, which resulted in an issuance premium of \$1,846,241.



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Required Supplementary Information

City of Louisville, Colorado
General Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	Budget		Actual Amounts	Budget Variance -	2015 Actual
	Original	Final		Positive (Negative)	
Revenue:					
Taxes:					
Property tax	\$ 2,759,960	\$ 2,759,960	\$ 2,748,806	\$ (11,154)	\$ 2,362,141
Sales tax	6,897,630	6,960,920	7,169,673	208,753	6,692,928
Use tax	1,790,160	1,870,130	2,102,867	232,737	1,979,440
Franchise tax	1,094,840	1,101,920	1,057,233	(44,687)	1,080,496
Lodging tax	489,720	497,890	500,223	2,333	469,709
Other taxes	245,810	261,090	289,369	28,279	279,152
Licenses and permits	1,435,430	1,435,430	1,592,848	157,418	1,401,778
Intergovernmental	1,138,770	1,177,310	1,293,407	116,097	1,194,969
Charges for services	1,795,980	1,971,270	2,073,431	102,161	1,875,513
Fines and forfeitures	213,300	207,000	216,085	9,085	186,429
Miscellaneous	234,640	150,500	182,469	31,969	330,836
Interest income	25,000	25,000	64,194	39,194	28,529
Total revenue	<u>18,121,240</u>	<u>18,418,420</u>	<u>19,290,605</u>	<u>872,185</u>	<u>17,881,920</u>
Expenditures:					
Current:					
General government	3,720,250	4,193,907	4,079,496	114,411	3,138,931
Planning and building safety	1,054,470	1,111,980	1,034,491	77,489	1,088,832
Police	5,004,720	4,972,071	4,719,015	253,056	4,489,317
Public works	2,334,840	2,286,907	2,164,982	121,925	2,153,768
Library and museum services	1,844,840	1,819,110	1,725,600	93,510	1,722,929
Parks and recreation	3,052,090	3,125,471	3,191,788	(66,317)	2,986,182
Debt Service	-	-	9,089	(9,089)	-
Total expenditures	<u>17,011,210</u>	<u>17,509,445</u>	<u>16,924,461</u>	<u>584,984</u>	<u>15,579,959</u>
Excess (deficiency) of revenues over expenditures	<u>1,110,030</u>	<u>908,975</u>	<u>2,366,144</u>	<u>1,457,169</u>	<u>2,301,961</u>
Other Financing Sources (Uses):					
Sale of Assets	-	-	-	-	1,221,566
Transfers In	-	-	-	-	250,000
Transfers Out	(481,450)	(2,331,450)	(2,401,205)	(69,755)	(2,091,486)
Total other financing sources (uses)	<u>(481,450)</u>	<u>(2,331,450)</u>	<u>(2,401,205)</u>	<u>(69,755)</u>	<u>(619,920)</u>
Net Change in Fund Balance	<u>\$ 628,580</u>	<u>\$ (1,422,475)</u>	<u>(35,061)</u>	<u>\$ 1,387,414</u>	<u>1,682,041</u>
Fund Balance, January 1			<u>5,340,830</u>		<u>3,658,789</u>
Fund Balance, December 31			<u>\$ 5,305,769</u>		<u>\$ 5,340,830</u>

See the accompanying independent auditors' report

City of Louisville, Colorado
Open Space & Parks Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	<u>Budget</u>		<u>Actual Amounts</u>	<u>Budget Variance - Positive (Negative)</u>	<u>2015 Actual</u>
	<u>Original</u>	<u>Final</u>			
Revenue:					
Taxes:					
Sales tax	\$ 1,332,710	\$ 1,346,780	\$ 1,380,932	\$ 34,152	\$ 1,301,236
Use tax	462,700	484,110	563,966	79,856	472,258
Intergovernmental	-	-	15,000	15,000	265,618
Miscellaneous	40,210	40,210	49,697	9,487	65,190
Interest income	15,000	15,000	21,845	6,845	14,452
Total revenue	<u>1,850,620</u>	<u>1,886,100</u>	<u>2,031,440</u>	<u>145,340</u>	<u>2,118,754</u>
Expenditures:					
General operations	2,368,250	2,180,571	2,059,653	120,918	1,934,257
Capital outlay	252,250	461,230	313,463	147,767	3,123,475
Total expenditures	<u>2,620,500</u>	<u>2,641,801</u>	<u>2,373,116</u>	<u>268,685</u>	<u>5,057,732</u>
Excess (deficiency) of revenues over expenditures	<u>(769,880)</u>	<u>(755,701)</u>	<u>(341,676)</u>	414,025	<u>(2,938,978)</u>
Other Financing Sources (Uses):					
Sale of assets	-	-	-	-	212,704
Transfers In	1,019,000	1,019,000	1,347,000	328,000	473,127
Total other financing sources (uses)	<u>1,019,000</u>	<u>1,019,000</u>	<u>1,347,000</u>	<u>328,000</u>	<u>685,831</u>
Net Change in Fund Balance	<u>\$ 249,120</u>	<u>\$ 263,299</u>	1,005,324	<u>\$ 742,025</u>	(2,253,147)
Fund Balance, January 1			<u>3,000,000</u>		<u>5,253,147</u>
Fund Balance, December 31			<u>\$ 4,005,324</u>		<u>\$ 3,000,000</u>

See the accompanying independent auditors' report

City of Louisville, Colorado
Notes to Required Supplementary Information
December 31, 2016

Note 1: Budgets and budgetary accounting

The City Council follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The City Manager submits a proposed operating budget to the Mayor and the City Council for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures of all funds and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to the end of the fiscal year, the budget is legally adopted through passage of a resolution. An appropriation resolution, based on the adopted budget, is enacted on or before the last day of December.
4. Any revisions that alter the total appropriations of any fund must be approved by the City Council. The City's department directors may approve budget transfers within their departments and the City Manager may approve budget transfers between departments within the same fund.
5. The level on which expenditures may not legally exceed appropriations is the legally adopted annual operating budget for each fund in total. All appropriations lapse at year-end.
6. Budgets for the general, special revenue, debt service, capital projects, and permanent funds are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP).
7. Budgets for proprietary funds are adopted on a basis consistent with generally accepted accounting principles, except that the City excludes depreciation and amortization and includes debt service principal payments and capital outlay.
8. The City Council may legally amend the budget by resolution once it has been approved. Budgeted amounts, including all amendments, are shown as adopted by the City Council.



COLORADO ▪ SINCE 1878

Other Statements and Schedules

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes

PEG Fees Fund – This fund is was created in 2006 in response to Resolution No. 22, Series 2006, that approved an agreement between the City of Louisville and Citizens Community Access Cable Television Management. Originally used to account for PEG grants, effective July 2009, the City’s cable provider began collecting and remitting to the City a \$0.50 per account per month PEG Fee that is split evenly between the City and CCTV for capital outlay.

Parking Improvement Fund – This fund was created in 2000 to track the downtown parking improvement fee of \$10,500 per parking space established through Ordinance 1341. This fee is to be used for the purchase or lease of real and personal property for the construction, improvement, or provision of additional on-street and off-street public parking space to serve Downtown Louisville and other improvements associated with downtown parking. The fee was amended to \$3,600 per parking space in 2002 by Ordinance 1376.

Conservation Trust – Lottery Fund – The City of Louisville, through Resolution No. 14, dated July 16, 1974, established a Conservation Trust Fund. The City receives an annual distribution from the State of Colorado from the proceeds of the Colorado State Lottery. State law mandates that a Conservation Trust Fund be established to record revenues and expenditures and that these funds are restricted for the use in the acquisition, development, and maintenance of “new conservation sites” or for capital improvements or maintenance for recreational purposes on any public site.

Impact Fee Fund – The Impact Fee Fund was created in 2004 as a result of Ordinance No. 1436 Series 2003. This ordinance was to establish development impact fees for libraries, parks, trails, recreation, municipal facilities and transportation. As a result of the 2006 Impact Fee Study, the fee structures have been modified and Impact Fees are categorized as Municipal Facilities, Transportation, Library, Recreation, and Parks & Trails. A review and update to the Impact Fee Study was conducted in 2011, which resulted in a moderate reduction in Impact Fee rates.

Cemetery Fund – The Cemetery Fund was created on November 3, 2008 by Ordinance No. 1542. Unlike the Cemetery Perpetual Care Fund, all the revenue in the Cemetery Fund is less restricted and can be used for both cemetery maintenance and capital improvements. Beginning in 2009, all the interest revenue earned in the Cemetery Perpetual Care Fund is transferred to the Cemetery Fund for maintenance of the lots. In addition, the General Fund subsidizes the Cemetery Fund via annual interfund transfers.

Urban Revitalization District Fund – The Urban Revitalization District (URD) Fund was approved and established by City Council in 2006. Although the URD is a distinct and separate entity from the City, the City Council is essentially the governing body of the District, but appoints the Louisville Revitalization Commission (LRC) to oversee the

general operations. The City provides all administrative, financial, and legal support services to the District. By Cooperation Agreement between the City and the LRC, the City Council must approve the District's budget, any expenditure made by the District, the issuance of any debt, and the execution of any contractual obligations.

Historic Preservation Fund – On November 4, 2008, Louisville voters approved a temporary sales tax increase of 1/8% for ten years, beginning January 1, 2009. Revenue from this increase is restricted for historic preservation purposes within Old Town Louisville. The Historic Preservation Fund was created by Ordinance No. 1544, Series 2008. Resolution No. 20, Series 2009, enacted additional provisions regarding the administration, structure, and uses of the Historic Preservation Fund.

Debt Service Fund

Library Debt Service Fund – In 2003, the Louisville voters approved a \$7,405,000 bond issue for the construction of a new library building. In addition, the voters approved an increase in the City's property tax levy not to exceed 1.581 mills to pay the debt service on the bonds. The majority of the construction was completed by August 2006. A capital projects fund was created to account for the proceeds of the bond issue and the costs of construction of the new library. The debt service payments are accounted for in the Debt Service Fund.

Permanent Fund

Cemetery Perpetual Care Fund – This fund is used to account for principal trust amounts received and related interest income. Beginning in 2009, all the interest revenue earned in the Cemetery Perpetual Care Fund is transferred to the Cemetery Fund for maintenance of the lots.

City of Louisville, Colorado
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2016

	Special Revenue Funds				
	PEG Fees	Parking Improvement	Conservation Trust-Lottery	Impact Fee	Cemetery
Assets:					
Current assets:					
Cash and cash equivalents	\$ 44,045	\$ 10,994	\$ 667,841	\$ 1,708,671	\$ 31,970
Cash in escrow restricted for capital	-	-	-	-	-
Receivables:					
Property tax receivable	-	-	-	-	-
Sales and use tax receivable	-	-	-	-	-
Other revenue receivable	7,154	-	-	-	-
Interest receivable	78	-	1,177	5,369	128
Total assets	<u>\$ 51,277</u>	<u>\$ 10,994</u>	<u>\$ 669,018</u>	<u>\$ 1,714,040</u>	<u>\$ 32,098</u>
Liabilities:					
Accounts payable	2	1	25,319	142	466
Accrued liabilities	-	10,993	-	778,234	1,480
Total liabilities	<u>2</u>	<u>10,994</u>	<u>25,319</u>	<u>778,376</u>	<u>1,946</u>
Deferred Inflows of Resources:					
Unavailable revenue - property taxes	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:					
Nonspendable:					
Cemetery care	-	-	-	-	-
Restricted for:					
Conservation sites	-	-	643,699	-	-
URD improvements	-	-	-	-	-
Historic preservation	-	-	-	-	-
Debt service	-	-	-	-	-
Committed to:					
Public access television capital	51,275	-	-	-	-
Development impact capital	-	-	-	935,664	-
Cemetery maintenance and capital	-	-	-	-	30,152
Total fund balance	<u>51,275</u>	<u>-</u>	<u>643,699</u>	<u>935,664</u>	<u>30,152</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 51,277</u>	<u>\$ 10,994</u>	<u>\$ 669,018</u>	<u>\$ 1,714,040</u>	<u>\$ 32,098</u>

See the accompanying independent auditors' report

Special Revenue Funds (continued)			Debt Service Fund	Permanent Fund	Total Nonmajor Governmental Funds
Urban Revitalization	Historic Preservation	Special Revenue Total	Library Debt Service	Cemetery Perpetual Care	
\$ 716,344	\$ 1,303,442	\$ 4,483,307	\$ 737,184	\$ 514,113	\$ 5,734,604
3,163,022	-	3,163,022	-	-	3,163,022
815,747	-	815,747	823,638	-	1,639,385
-	64,202	64,202	-	-	64,202
-	-	7,154	-	-	7,154
1,328	2,299	10,379	1,300	913	12,592
<u>\$ 4,696,441</u>	<u>\$ 1,369,943</u>	<u>\$ 8,543,811</u>	<u>\$ 1,562,122</u>	<u>\$ 515,026</u>	<u>\$ 10,620,959</u>
79,519	58,713	164,162	34	24	164,220
402,234	1,736	1,194,677	30	-	1,194,707
481,753	60,449	1,358,839	64	24	1,358,927
815,747	-	815,747	823,638	-	1,639,385
815,747	-	815,747	823,638	-	1,639,385
-	-	-	-	515,002	515,002
-	-	643,699	-	-	643,699
3,398,941	-	3,398,941	-	-	3,398,941
-	1,309,494	1,309,494	-	-	1,309,494
-	-	-	738,420	-	738,420
-	-	51,275	-	-	51,275
-	-	935,664	-	-	935,664
-	-	30,152	-	-	30,152
3,398,941	1,309,494	6,369,225	738,420	515,002	7,622,647
<u>\$ 4,696,441</u>	<u>\$ 1,369,943</u>	<u>\$ 8,543,811</u>	<u>\$ 1,562,122</u>	<u>\$ 515,026</u>	<u>\$ 10,620,959</u>

See the accompanying independent auditors' report

City of Louisville, Colorado
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2016

	Special Revenue Funds				
	PEG Fees	Parking Improvement	Conservation Trust-Lottery	Impact Fee	Cemetery
Revenue:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and use taxes	-	-	-	-	-
Licenses and permits	-	-	-	1,389,229	20,093
Intergovernmental	21,277	-	223,514	-	-
Charges for Services	-	-	-	-	44,970
Miscellaneous	-	-	-	-	-
Interest income	340	53	5,415	17,572	377
Total revenue	<u>21,617</u>	<u>53</u>	<u>228,929</u>	<u>1,406,801</u>	<u>65,440</u>
Expenditures:					
General government	26	4	438	1,563	140,224
Capital outlay	1,686	694,642	257,830	-	15,296
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	<u>1,712</u>	<u>694,646</u>	<u>258,268</u>	<u>1,563</u>	<u>155,520</u>
Excess (deficiency) of revenues over (under) expenditures	<u>19,905</u>	<u>(694,593)</u>	<u>(29,339)</u>	<u>1,405,238</u>	<u>(90,080)</u>
Other Financing Sources (Uses):					
Sale of Assets	-	-	-	-	-
Developer Contributions	-	-	-	-	-
Bond Proceeds	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-
Transfer In	-	688,484	-	128,381	88,629
Transfer Out	-	-	-	(1,336,700)	-
Total other financing sources (uses)	<u>-</u>	<u>688,484</u>	<u>-</u>	<u>(1,208,319)</u>	<u>88,629</u>
Net Change in Fund Balance	19,905	(6,109)	(29,339)	196,919	(1,451)
Fund Balance, as previously reported	31,370	6,109	673,038	906,296	31,603
Restatement	-	-	-	(167,551)	-
Fund Balance, January 1, as restated	<u>31,370</u>	<u>6,109</u>	<u>673,038</u>	<u>738,745</u>	<u>31,603</u>
Fund Balance, December 31	<u>\$ 51,275</u>	<u>\$ -</u>	<u>\$ 643,699</u>	<u>\$ 935,664</u>	<u>\$ 30,152</u>

See the accompanying independent auditors' report

Special Revenue Funds (continued)			Debt Service Fund	Permanent Fund	Total Nonmajor Governmental Funds
Urban Revitalization	Historic Preservation	Special Revenue Total	Library Debt Service	Cemetery Perpetual Care	
\$ 529,979	\$ -	\$ 529,979	\$ 810,731	\$ -	\$ 1,340,710
-	701,688	701,688	-	-	701,688
-	-	1,409,322	-	20,092	1,429,414
-	-	244,791	-	-	244,791
-	-	44,970	-	-	44,970
-	495	495	-	-	495
10,186	8,904	42,847	7,960	3,962	54,769
540,165	711,087	2,974,092	818,691	24,054	3,816,837
281,679	274,788	698,722	956	315	699,993
1,260,092	147,864	2,377,410	-	-	2,377,410
-	-	-	620,000	-	620,000
162,458	-	162,458	101,925	-	264,383
1,704,229	422,652	3,238,590	722,881	315	3,961,786
(1,164,064)	288,435	(264,498)	95,810	23,739	(144,949)
-	198,884	198,884	-	-	198,884
50,690	-	50,690	-	-	50,690
3,750,000	-	3,750,000	-	-	3,750,000
(50,690)	-	(50,690)	-	-	(50,690)
-	-	905,494	-	-	905,494
-	-	(1,336,700)	-	(3,962)	(1,340,662)
3,750,000	198,884	3,517,678	-	(3,962)	3,513,716
2,585,936	487,319	3,253,180	95,810	19,777	3,368,767
813,005	822,175	3,283,596	642,610	495,225	4,421,431
-	-	(167,551)	-	-	(167,551)
813,005	822,175	3,116,045	642,610	495,225	4,253,880
\$ 3,398,941	\$ 1,309,494	\$ 6,369,225	\$ 738,420	\$ 515,002	\$ 7,622,647

See the accompanying independent auditors' report

City of Louisville, Colorado
PEG Fees Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	Budget		Actual Amounts	Budget Variance - Positive (Negative)	2015 Actual
	Original	Final			
Revenue:					
Intergovernmental	\$ 26,000	\$ 26,000	\$ 21,277	\$ (4,723)	\$ 25,325
Interest income	200	200	340	140	161
Total revenues	<u>26,200</u>	<u>26,200</u>	<u>21,617</u>	<u>(4,583)</u>	<u>25,486</u>
Expenditures:					
General operations	40	40	26	14	30
Capital outlay	24,000	24,000	1,686	22,314	37,684
Total expenditures	<u>24,040</u>	<u>24,040</u>	<u>1,712</u>	<u>22,328</u>	<u>37,714</u>
Net Change in Fund Balance	<u>\$ 2,160</u>	<u>\$ 2,160</u>	19,905	<u>\$ 17,745</u>	(12,228)
Fund Balance, January 1			31,370		43,598
Fund Balance, December 31			<u>\$ 51,275</u>		<u>\$ 31,370</u>

See the accompanying independent auditors' report

City of Louisville, Colorado
Parking Improvement Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	<u>Budget</u>		<u>Actual Amounts</u>	<u>Budget Variance - Positive (Negative)</u>	<u>2015 Actual</u>
	<u>Original</u>	<u>Final</u>			
Revenue:					
Interest income	\$ 50	\$ 50	\$ 53	\$ 3	\$ 14
Total revenues	50	50	53	3	14
Expenditures					
General Government	-	-	4	(4)	-
Capital outlay	-	700,000	694,642	5,358	-
Total expenditures	-	700,000	694,646	5,354	-
Excess (deficiency) of revenues over expenditures	50	(699,950)	(694,593)	5,357	14
Other Financing Sources (Uses):					
Transfers in	-	700,000	688,484	(11,516)	-
Net Change in Fund Balance	<u>\$ 50</u>	<u>\$ 50</u>	(6,109)	<u>\$ (6,159)</u>	14
Fund Balance, January 1			6,109		6,095
Fund Balance, December 31			<u>\$ -</u>		<u>\$ 6,109</u>

See the accompanying independent auditors' report

City of Louisville, Colorado
Conservation Trust - Lottery Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	Budget		Actual Amounts	Budget Variance - Positive (Negative)	2015 Actual
	Original	Final			
Revenue:					
Intergovernmental	\$ 452,090	\$ 452,090	\$ 223,514	\$ (228,576)	\$ 187,326
Interest income	2,000	2,000	5,415	3,415	2,511
Total revenue	<u>454,090</u>	<u>454,090</u>	<u>228,929</u>	<u>(225,161)</u>	<u>189,837</u>
Expenditures:					
General operations	400	400	438	(38)	489
Capital outlay	250,800	560,460	257,830	302,630	140,378
Total expenditures	<u>251,200</u>	<u>560,860</u>	<u>258,268</u>	<u>302,592</u>	<u>140,867</u>
Net Change in Fund Balance	<u>\$ 202,890</u>	<u>\$ (106,770)</u>	(29,339)	<u>\$ 77,431</u>	48,970
Fund Balance, January 1			673,038		624,068
Fund Balance, December 31			<u>\$ 643,699</u>		<u>\$ 673,038</u>

See the accompanying independent auditors' report

City of Louisville, Colorado
Impact Fee Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	<u>Budget</u>		<u>Actual Amounts</u>	<u>Budget Variance - Positive (Negative)</u>	<u>2015 Actual As Restated</u>
	<u>Original</u>	<u>Final</u>			
Revenue:					
Licenses and permits	\$ 810,460	\$ 810,460	\$ 1,389,229	\$ 578,769	\$ 895,560
Interest income	7,500	7,500	17,572	10,072	3,156
Total revenue	<u>817,960</u>	<u>817,960</u>	<u>1,406,801</u>	<u>588,841</u>	<u>898,716</u>
Expenditures:					
General government	900	900	1,563	(663)	723
Total expenditures	<u>900</u>	<u>900</u>	<u>1,563</u>	<u>(663)</u>	<u>723</u>
Excess (deficiency) of revenues over expenditures	<u>817,060</u>	<u>817,060</u>	<u>1,405,238</u>	<u>588,178</u>	<u>897,993</u>
Other Financing Sources (Uses):					
Transfers in	-	-	128,381	128,381	-
Transfers out	(1,744,000)	(1,744,000)	(1,336,700)	407,300	(491,880)
Total other financing sources (uses)	<u>(1,744,000)</u>	<u>(1,744,000)</u>	<u>(1,208,319)</u>	<u>535,681</u>	<u>(491,880)</u>
Net Change in Fund Balance	<u>\$ (926,940)</u>	<u>\$ (926,940)</u>	196,919	<u>\$ 1,123,859</u>	<u>\$ 406,113</u>
Fund Balance, January 1 (as restated)			738,745		332,632
Fund Balance, December 31			<u>\$ 935,664</u>		<u>\$ 738,745</u>

See the accompanying independent auditors' report

City of Louisville, Colorado
Cemetery Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	<u>Budget</u>		<u>Actual Amounts</u>	<u>Budget Variance - Positive (Negative)</u>	<u>2015 Actual</u>
	<u>Original</u>	<u>Final</u>			
Revenue:					
Licenses and permits	\$ 33,330	\$ 33,330	\$ 20,093	\$ (13,237)	\$ 39,315
Charges for Services	31,850	31,850	44,970	13,120	36,410
Interest income	500	500	377	(123)	492
Total revenue	<u>65,680</u>	<u>65,680</u>	<u>65,440</u>	<u>(240)</u>	<u>76,217</u>
Expenditures:					
General operations	175,380	133,797	140,224	(6,427)	155,077
Capital Outlay	21,250	43,310	15,296	28,014	2,935
Total expenditures	<u>196,630</u>	<u>177,107</u>	<u>155,520</u>	<u>21,587</u>	<u>158,012</u>
Excess (deficiency) of revenue over expenditures	<u>(130,950)</u>	<u>(111,427)</u>	<u>(90,080)</u>	<u>21,347</u>	<u>(81,795)</u>
Other Financing Sources (Uses):					
Transfers in	<u>130,950</u>	<u>130,950</u>	<u>88,629</u>	<u>(42,321)</u>	<u>13,175</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 19,523</u>	<u>(1,451)</u>	<u>\$ (20,974)</u>	<u>(68,620)</u>
Fund Balance, January 1			<u>31,603</u>		<u>100,223</u>
Fund Balance, December 31			<u>\$ 30,152</u>		<u>\$ 31,603</u>

See the accompanying independent auditors' report

City of Louisville, Colorado
Urban Revitalization District Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	<u>Budget</u>		<u>Actual Amounts</u>	<u>Budget Variance - Positive (Negative)</u>	<u>2015 Actual</u>
	<u>Original</u>	<u>Final</u>			
Revenue:					
Property taxes	\$ 562,200	\$ 562,200	\$ 529,979	\$ (32,221)	\$ 390,988
Intergovernmental	-	-	-	-	469,600
Interest income	2,000	2,000	10,186	8,186	1,893
Total revenues	<u>564,200</u>	<u>564,200</u>	<u>540,165</u>	<u>(24,035)</u>	<u>862,481</u>
Expenditures:					
General operations	231,280	436,280	281,679	154,601	75,635
Capital outlay	3,750,000	3,875,000	1,260,092	2,614,908	642,408
Debt service:					
Interest	315,000	315,000	162,458	152,542	58,042
Total expenditures	<u>4,296,280</u>	<u>4,626,280</u>	<u>1,704,229</u>	<u>2,922,051</u>	<u>776,085</u>
Excess (deficiency) of revenue over expenditures	<u>(3,732,080)</u>	<u>(4,062,080)</u>	<u>(1,164,064)</u>	<u>2,898,016</u>	<u>86,396</u>
Other Financing Sources (Uses):					
Developer Contributions	-	-	50,690	50,690	-
Bond Proceeds	3,750,000	3,750,000	3,750,000	-	-
Bond Issuance Costs	(37,500)	(37,500)	(50,690)	(13,190)	-
Total other financing sources (uses)	<u>3,712,500</u>	<u>3,712,500</u>	<u>3,750,000</u>	<u>37,500</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (19,580)</u>	<u>\$ (349,580)</u>	2,585,936	<u>\$ 2,935,516</u>	86,396
Fund Balance, January 1			<u>813,005</u>		<u>726,609</u>
Fund Balance, December 31			<u>\$ 3,398,941</u>		<u>\$ 813,005</u>

See the accompanying independent auditors' report

City of Louisville, Colorado
Historic Preservation Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	Budget		Actual Amounts	Budget Variance - Positive (Negative)	2015 Actual
	Original	Final			
Revenue:					
Taxes:					
Sales tax	\$ 443,660	\$ 448,930	\$ 460,319	\$ 11,389	\$ 433,753
Use tax	158,070	156,690	241,369	84,679	158,438
Miscellaneous	-	-	495	495	-
Interest income	4,000	4,000	8,904	4,904	4,017
Total revenue	<u>605,730</u>	<u>609,620</u>	<u>711,087</u>	<u>101,467</u>	<u>596,208</u>
Expenditures:					
General operations	486,880	641,290	274,788	366,502	262,416
Capital outlay	-	-	147,864	(147,864)	166,888
Total expenditures	<u>486,880</u>	<u>641,290</u>	<u>422,652</u>	<u>218,638</u>	<u>429,304</u>
Excess (deficiency) of revenue over expenditures	<u>118,850</u>	<u>(31,670)</u>	<u>288,435</u>	<u>320,105</u>	<u>166,904</u>
Other Financing Sources (Uses):					
Sale of Assets	-	-	198,884	198,884	-
Transfers Out	-	-	-	-	(250,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>198,884</u>	<u>198,884</u>	<u>(250,000)</u>
Net Change in Fund Balance	<u><u>\$ 118,850</u></u>	<u><u>\$ (31,670)</u></u>	<u>487,319</u>	<u><u>\$ 518,989</u></u>	<u>(83,096)</u>
Fund Balance, January 1			<u>822,175</u>		<u>905,271</u>
Fund Balance, December 31			<u><u>\$ 1,309,494</u></u>		<u><u>\$ 822,175</u></u>

See the accompanying independent auditors' report

City of Louisville, Colorado
Library Debt Service Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	<u>Budget</u>		<u>Actual Amounts</u>	<u>Budget Variance - Positive (Negative)</u>	<u>2015 Actual</u>
	<u>Original</u>	<u>Final</u>			
Revenue:					
Taxes:					
Property taxes	\$ 812,440	\$ 812,440	\$ 810,731	\$ (1,709)	\$ 699,246
Interest income	4,000	4,000	7,960	3,960	4,004
Total revenue	<u>816,440</u>	<u>816,440</u>	<u>818,691</u>	<u>2,251</u>	<u>703,250</u>
Expenditures:					
General Operations	1,050	1,050	956	94	991
Debt service:					
Principal	620,000	620,000	620,000	-	600,000
Interest	115,000	115,000	101,925	13,075	124,313
Total expenditures	<u>736,050</u>	<u>736,050</u>	<u>722,881</u>	<u>13,169</u>	<u>725,304</u>
Net Change in Fund Balance	<u>\$ 80,390</u>	<u>\$ 80,390</u>	95,810	<u>\$ 15,420</u>	(22,054)
Fund Balance, January 1			642,610		664,664
Fund Balance, December 31			<u>\$ 738,420</u>		<u>\$ 642,610</u>

See the accompanying independent auditors' report

City of Louisville, Colorado
Cemetery Perpetual Care Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	Budget		Actual Amounts	Budget Variance - Positive (Negative)	2015 Actual
	Original	Final			
Revenue:					
Licenses and permits	\$ 33,330	\$ 33,330	\$ 20,092	\$ (13,238)	\$ 39,315
Interest income	2,000	2,000	3,962	1,962	1,771
Total revenue	<u>35,330</u>	<u>35,330</u>	<u>24,054</u>	<u>(11,276)</u>	<u>41,086</u>
Expenditures:					
General operations	300	300	315	(15)	345
Total expenditures	<u>300</u>	<u>300</u>	<u>315</u>	<u>(15)</u>	<u>345</u>
Excess (deficiency) of revenue over expenditures	<u>35,030</u>	<u>35,030</u>	<u>23,739</u>	<u>(11,291)</u>	<u>40,741</u>
Other Financing Sources (Uses):					
Transfers out	<u>(2,000)</u>	<u>(2,000)</u>	<u>(3,962)</u>	<u>(1,962)</u>	<u>(1,771)</u>
Net Change in Fund Balance	<u>\$ 33,030</u>	<u>\$ 33,030</u>	19,777	<u>\$ (13,253)</u>	38,970
Fund Balance, January 1			495,225		456,255
Fund Balance, December 31			<u>\$ 515,002</u>		<u>\$ 495,225</u>

See the accompanying independent auditors' report

City of Louisville, Colorado
Capital Projects Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	<u>Budget</u>		<u>Actual</u> <u>Amounts</u>	<u>Budget</u> <u>Variance -</u> <u>Positive</u> <u>(Negative)</u>	<u>2015</u> <u>Actual</u>
	<u>Original</u>	<u>Final</u>			
Revenue:					
Taxes:					
Sales tax	\$ 3,447,300	\$ 3,484,820	\$ 3,581,127	\$ 96,307	\$ 3,350,675
Use tax	1,589,290	1,565,470	2,088,763	523,293	1,695,649
Intergovernmental	1,000,000	3,600,000	2,208,419	(1,391,581)	582,059
Miscellaneous	263,210	352,710	307,599	(45,111)	226,105
Interest income	20,000	20,000	32,050	12,050	32,249
Total revenue	<u>6,319,800</u>	<u>9,023,000</u>	<u>8,217,958</u>	<u>(805,042)</u>	<u>5,886,737</u>
Expenditures:					
General operations	494,090	426,540	451,957	(25,417)	473,830
Capital outlay	7,715,400	14,488,270	10,328,444	4,159,826	8,301,775
Total expenditures	<u>8,209,490</u>	<u>14,914,810</u>	<u>10,780,401</u>	<u>4,134,409</u>	<u>8,775,605</u>
Excess (deficiency) of revenue over expenditures	<u>(1,889,690)</u>	<u>(5,891,810)</u>	<u>(2,562,443)</u>	<u>3,329,367</u>	<u>(2,888,868)</u>
Other Financing Sources (Uses):					
Transfers In	1,077,500	1,077,500	342,200	(735,300)	1,585,880
Transfers Out	-	-	-	-	(841,658)
Total other financing sources (uses)	<u>1,077,500</u>	<u>1,077,500</u>	<u>342,200</u>	<u>(735,300)</u>	<u>744,222</u>
Net Change in Fund Balance	<u>\$ (812,190)</u>	<u>\$ (4,814,310)</u>	<u>(2,220,243)</u>	<u>\$ 2,594,067</u>	<u>(2,144,646)</u>
Fund Balance, January 1			<u>5,597,090</u>		<u>7,741,736</u>
Fund Balance, December 31			<u>\$ 3,376,847</u>		<u>\$ 5,597,090</u>

See the accompanying independent auditors' report

ENTERPRISE FUNDS

Individual Fund Budget Schedules

Consolidated Utility Fund – This fund accounts for the provision of water, wastewater, and storm water services to residents and some outside users. All activities that are necessary to provide such services are accounted for in these funds, including, but not limited to: administration, billing operations, environmental monitoring, capital outlay, and maintenance, financing, and related debt.

Golf Course Fund – The Golf Course Fund accounts for the activities of the Coal Creek Golf Course, which is owned and operated by the City.

Solid Waste & Recycling Fund – This fund was created by Ordinance No. 1554, Series 2009, to account for the resources generated and the costs incurred to provide solid waste pickup and recycling services. Since inception, the City has contracted with a private solid waste disposal company to perform the pickup and recycling services.

City of Louisville, Colorado
Consolidated Utility Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	Budget		Actual Amounts	Budget Variance - Positive (Negative)	2015 Actual
	Original	Final			
Revenue:					
Intergovernmental	\$ 4,450,000	\$ 4,737,360	\$ 2,820,408	\$ (1,916,952)	\$ 1,362,520
Charges for services	8,737,520	8,774,290	9,678,068	903,778	8,112,648
Tap fees	10,537,300	10,537,300	8,466,452	(2,070,848)	3,180,505
Miscellaneous	153,420	153,420	202,456	49,036	210,575
Interest income	90,000	90,000	137,368	47,368	79,695
Bond proceeds	-	-	-	-	31,641,348
Bond Premium	-	-	-	-	752,501
Payment of advances	225,000	1,150,000	1,147,173	(2,827)	225,000
Total revenue	<u>24,193,240</u>	<u>25,442,370</u>	<u>22,451,925</u>	<u>(2,990,445)</u>	<u>45,564,792</u>
Expenditures:					
General operations	6,147,950	6,153,964	5,279,290	874,674	4,906,333
Capital outlay	22,684,730	39,220,840	29,617,481	9,603,359	16,861,321
Debt service	2,486,570	2,486,570	2,511,561	(24,991)	1,801,659
Total expenditures	<u>31,319,250</u>	<u>47,861,374</u>	<u>37,408,332</u>	<u>10,453,041</u>	<u>23,569,313</u>
Net Income (Loss), Budget Basis	<u>\$ (7,126,010)</u>	<u>\$ (22,419,004)</u>	(14,956,407)	<u>\$ 7,462,596</u>	21,995,479
Reconciliation from Budget Basis (non-GAAP) to GAAP:					
Add:					
Capitalized assets			29,328,123		16,694,576
Capitalized interest			658,738		-
Principal retired			1,653,508		933,344
Amortization of bond premium			37,625		37,625
Accrued Interest on Interfund Loan			8,257		-
Gain on Debt Defeasance			60,719		-
Contributions from development			860,754		-
Subtract:					
Bond proceeds			-		(31,641,348)
Bond Premium			-		(752,501)
Depreciation and amortization			(1,986,092)		(1,563,875)
Loss on asset write-off			(97,682)		(22,036)
Payment of advances			(1,147,173)		(225,000)
Change in Net Position GAAP Basis			<u>\$ 14,420,370</u>		<u>\$ 5,456,264</u>

See the accompanying independent auditors' report

City of Louisville, Colorado
Golf Course Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	Budget		Actual Amounts	Budget Variance - Positive (Negative)	2015 Actual
	Original	Final			
Revenue:					
Intergovernmental Revenue	\$ -	\$ -	\$ -	-	\$ 327,084
Charges for services	1,877,600	1,877,600	1,371,840	(505,760)	794,065
Miscellaneous income	79,000	79,000	54,914	(24,086)	12,583
Interest income	500	500	2,689	2,189	-
Transfers In	-	1,150,000	1,147,173	(2,827)	1,354,613
Total revenue	<u>1,957,100</u>	<u>3,107,100</u>	<u>2,576,616</u>	<u>(530,484)</u>	<u>2,488,345</u>
Expenditures:					
General operations	1,528,050	1,629,348	1,359,885	269,463	1,086,865
Capital outlay	345,250	419,950	68,872	351,078	1,168,743
Debt service	-	-	-	-	7,737
Payment of Advances	225,000	1,150,000	1,147,173	2,827	225,000
Total expenditures	<u>2,098,300</u>	<u>3,199,298</u>	<u>2,575,930</u>	<u>623,368</u>	<u>2,488,345</u>
Net Income (Loss), Budget Basis	<u>\$ (141,200)</u>	<u>\$ (92,198)</u>	686	<u>\$ 92,884</u>	-
Reconciliation from Budget Basis (non-GAAP) to GAAP:					
Add:					
Capitalized Assets			42,130		1,061,346
Payment of Advances			1,147,173		225,000
Capital Contribution			10,053		
Subtract:					
Depreciation and amortization			(384,670)		(170,858)
Accrued Interest on Interfund Loan			(8,257)		
Loss on Asset Write-Off			(22,471)		
Change in Net Position GAAP Basis			<u>\$ 784,644</u>		<u>\$ 1,115,488</u>

See the accompanying independent auditors' report

City of Louisville, Colorado
Solid Waste & Recycling Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	Budget		Actual Amounts	Budget Variance - Positive (Negative)	2015 Actual
	Original	Final			
Revenue:					
Charges for services	\$ 1,612,720	\$ 1,612,720	\$ 1,537,734	\$ (74,986)	\$ 1,485,409
Miscellaneous income	(16,660)	(16,660)	15,740	32,400	9,700
Interest income	700	700	231	(469)	944
Total revenue	<u>1,596,760</u>	<u>1,596,760</u>	<u>1,553,705</u>	<u>(43,055)</u>	<u>1,496,053</u>
Expenditures:					
General operations	1,557,710	1,614,696	1,595,911	18,785	1,538,800
Total expenditures	<u>1,557,710</u>	<u>1,614,696</u>	<u>1,595,911</u>	<u>18,785</u>	<u>1,538,800</u>
Net Income (Loss), Budget and GAAP Basis					
	<u>\$ 39,050</u>	<u>\$ (17,936)</u>	<u>\$ (42,206)</u>	<u>\$ (24,270)</u>	<u>\$ (42,747)</u>

See the accompanying independent auditors' report

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Building Maintenance Fund – In 2003, the City of Louisville established the Building Maintenance Fund for the purpose of accumulating funds for the future maintenance and improvement of municipal facilities, such as the Recreation Center, City Hall, Library, City Shops, Museum, and Arts Center. In 2014, the remaining working capital in the fund was transferred to the Capital Projects Fund.

Technology Management Fund – In 1999, the City of Louisville established the Technology Management Fund for the purpose of accumulating funds for the replacement of computer hardware and peripherals.

Fleet Management Fund – In 1991, the City of Louisville established the Fleet Management Fund for the purpose of accumulating funds for the replacement of capital assets such as large machinery, heavy equipment, and vehicles.

City of Louisville, Colorado
Internal Service Funds
Combining Statement of Net Position
December 31, 2016

	Building Maintenance	Technology Management	Fleet Management	Total Internal Service Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ -	\$ 199,901	\$ 751,038	\$ 950,939
Interest receivable	-	352	1,324	1,676
Total current assets	<u>-</u>	<u>200,253</u>	<u>752,362</u>	<u>952,615</u>
Noncurrent assets:				
Capital assets:				
Buildings	374,536	-	-	374,536
Machinery and equipment	-	-	2,879,839	2,879,839
Office furniture and fixtures	-	140,752	-	140,752
Accumulated depreciation	<u>(78,875)</u>	<u>(114,361)</u>	<u>(1,559,777)</u>	<u>(1,753,013)</u>
Total capital assets (net of accumulated depreciation)	<u>295,661</u>	<u>26,391</u>	<u>1,320,062</u>	<u>1,642,114</u>
Total noncurrent assets	<u>295,661</u>	<u>26,391</u>	<u>1,320,062</u>	<u>1,642,114</u>
Total assets	<u>295,661</u>	<u>226,644</u>	<u>2,072,424</u>	<u>2,594,729</u>
LIABILITIES				
Current liabilities:				
Accounts payable	-	9	35	44
Total liabilities	<u>-</u>	<u>9</u>	<u>35</u>	<u>44</u>
NET POSITION				
Invested in capital assets	295,661	26,391	1,320,062	1,642,114
Unrestricted	-	200,244	752,327	952,571
Total net position	<u>\$ 295,661</u>	<u>\$ 226,635</u>	<u>\$ 2,072,389</u>	<u>\$ 2,594,685</u>

See the accompanying independent auditors' report

City of Louisville, Colorado
Internal Service Funds
Combining Statement of Revenues, Expenses,
and Changes in Net Position
For the Year Ended December 31, 2016

	Building Maintenance	Technology Management	Fleet Management	Total Internal Service Funds
Operating revenue:				
Charges for services	\$ -	\$ 70,190	\$ 238,620	308,810
Miscellaneous	-	-	17,402	17,402
Total operating revenue	<u>-</u>	<u>70,190</u>	<u>256,022</u>	<u>326,212</u>
Operating expenses:				
Costs of sales and services	-	24,226	456	24,682
Depreciation	16,326	14,157	230,982	261,465
Total operating expenses	<u>16,326</u>	<u>38,383</u>	<u>231,438</u>	<u>286,147</u>
Operating income (loss)	<u>(16,326)</u>	<u>31,807</u>	<u>24,584</u>	<u>40,065</u>
Nonoperating revenues (expenses):				
Interest income	-	1,481	5,699	7,180
Total nonoperating revenues (expenses)	<u>-</u>	<u>1,481</u>	<u>5,699</u>	<u>7,180</u>
Change in net position	(16,326)	33,288	30,283	47,245
Net position January 1	311,987	193,347	2,042,106	2,547,440
Net position December 31	<u>\$ 295,661</u>	<u>\$ 226,635</u>	<u>\$ 2,072,389</u>	<u>2,594,685</u>

See the accompanying independent auditors' report

City of Louisville, Colorado
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2016

	Building Maintenance	Technology Management	Fleet Management	Total Internal Service Funds
Cash flows from operating activities:				
Receipts from customers and users	\$ -	\$ 70,190	\$ 256,022	\$ 326,212
Payments to suppliers	-	(24,682)	(63,895)	(88,577)
Net cash provided (used) by operating activities	<u>-</u>	<u>45,508</u>	<u>192,127</u>	<u>237,635</u>
Cash flows from capital and related financing activities:				
Purchases of capital assets	-	-	(179,797)	(179,797)
Cash flows from investing activities:				
Interest earnings	-	1,338	5,376	6,714
Net increase (decrease) in cash and cash equivalents	-	46,846	17,706	64,552
Cash and cash equivalents, January 1	-	153,055	733,332	886,387
Cash and cash equivalents, December 31	<u>\$ -</u>	<u>\$ 199,901</u>	<u>\$ 751,038</u>	<u>\$ 950,939</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	(16,326)	\$ 31,807	\$ 24,584	\$ 40,065
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation expense	16,326	14,157	230,982	261,465
Change in assets and liabilities:				
Accounts payable	-	(456)	(63,439)	(63,895)
Net cash provided by operating activities	<u>\$ -</u>	<u>\$ 45,508</u>	<u>\$ 192,127</u>	<u>\$ 237,635</u>

See the accompanying independent auditors' report

City of Louisville, Colorado
Building Maintenance Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2016
 (With Comparative Totals for the Year Ended December 31, 2015)

	Budget		Actual Amounts	Budget Variance - Positive (Negative)	2015 Actual
	Original	Final			
Revenue:					
Total revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Total expenditures	-	-	-	-	-
Net Income, Budget Basis	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Reconciliation from Budget Basis (non-GAAP) to GAAP:					
Subtract:					
Depreciation			(16,326)		(16,258)
Change in Net Position GAAP Basis			<u>\$ (16,326)</u>		<u>\$ (16,258)</u>

See the accompanying independent auditors' report

City of Louisville, Colorado
Technology Management Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	<u>Budget</u>		<u>Actual Amounts</u>	<u>Budget Variance - Positive (Negative)</u>	<u>2015 Actual</u>
	<u>Original</u>	<u>Final</u>			
Revenue:					
Charges for Services	\$ 70,190	\$ 70,190	\$ 70,190	\$ -	\$ 47,750
Interest Income	800	800	1,481	681	574
Total Revenue	<u>70,990</u>	<u>70,990</u>	<u>71,671</u>	<u>681</u>	<u>48,324</u>
Expenditures:					
General Operations	750	750	994	(244)	1,130
Capital Outlay	<u>30,000</u>	<u>30,000</u>	<u>23,232</u>	<u>6,768</u>	<u>56,241</u>
Total Expenditures	<u>30,750</u>	<u>30,750</u>	<u>24,226</u>	<u>6,524</u>	<u>57,371</u>
Net Income, Budget Basis	<u>\$ 40,240</u>	<u>\$ 40,240</u>	47,445	<u>\$ 7,205</u>	(9,047)
Reconciliation from Budget Basis (non-GAAP) to GAAP:					
Subtract:					
Depreciation			(14,157)		(14,627)
Loss on Asset Disposal			<u>-</u>		<u>(2,194)</u>
Change in Net Position GAAP Basis			<u>\$ 33,288</u>		<u>\$ (25,868)</u>

See the accompanying independent auditors' report

City of Louisville, Colorado
Fleet Management Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	Budget		Actual Amounts	Budget Variance - Positive (Negative)	2015 Actual
	Original	Final			
Revenue:					
Charges for services	\$ 238,620	\$ 238,620	\$ 238,620	\$ -	\$ 216,460
Miscellaneous income	-	-	17,402	17,402	15,050
Interest income	3,000	3,000	5,699	2,699	2,771
Total Revenue	<u>241,620</u>	<u>241,620</u>	<u>261,721</u>	<u>20,101</u>	<u>234,281</u>
Expenditures:					
General operations	750	750	455	295	1,589
Capital outlay	233,100	261,600	179,798	81,802	329,359
Total expenditures	<u>233,850</u>	<u>262,350</u>	<u>180,253</u>	<u>82,097</u>	<u>330,948</u>
Net Income (Loss), Budget Basis	<u>\$ 7,770</u>	<u>\$ (20,730)</u>	81,468	<u>\$ 102,198</u>	(96,667)
Reconciliation from Budget Basis (non-GAAP) to GAAP:					
Add:					
Capitalized assets			179,797		329,359
Subtract:					
Depreciation			<u>(230,982)</u>		<u>(219,281)</u>
Change in Net Position, GAAP Basis			<u>\$ 30,283</u>		<u>\$ 13,411</u>

See the accompanying independent auditors' report



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Statistical Section

STATISTICAL SECTION

This part of the City of Louisville’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

Contents	Pages
Financial Trends	
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
Net Position by Component	106
Change in Net Position	108
Fund Balances of Governmental Funds	112
Changes in Fund Balances of Governmental Funds	114
 Revenue Capacity	
These schedules contain information to help the reader assess the factors affecting the city’s ability to generate its property and sales taxes.	
Tax Revenue by Source – Governmental Funds	116
Assessed Value and Estimated Actual Value of Taxable Property	117
Property Tax Rates and Tax Levies – Direct and Overlapping Governments	118
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 Debt Capacity	
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
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 Demographics	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place and to help make comparisons over time and with other governments.	
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Full-Time Employees by Function/Program	135

(continued)

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Operating Information

These schedules contain information about the city's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

Operating Indicators by Function/Program	136
Capital Asset Statistics by Function/Program	138

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

City of Louisville, Colorado
Net Position by Component
Last Ten Years
(accrual basis of accounting)

	Fiscal Year			
	2007	2008	2009	2010
Governmental activities:				
Net investment in capital assets	\$ 77,471,252	\$ 79,066,972	\$ 81,441,060	\$ 82,256,705
Restricted	10,119,161	9,689,202	9,928,902	9,803,747
Unrestricted	11,449,467	12,428,646	10,508,717	12,223,531
Total governmental activities net position	<u>\$ 99,039,880</u>	<u>\$ 101,184,820</u>	<u>\$ 101,878,679</u>	<u>\$ 104,283,983</u>
Business-type activities:				
Net investment in capital assets	\$ 59,598,864	\$ 60,205,842	\$ 61,015,676	\$ 61,853,539
Restricted	916,878	1,030,617	2,100,617	3,013,817
Unrestricted	11,499,311	13,442,285	11,694,151	9,008,956
Total business-type activities net position	<u>\$ 72,015,053</u>	<u>\$ 74,678,744</u>	<u>\$ 74,810,444</u>	<u>\$ 73,876,312</u>
Primary government:				
Net investment in capital assets	\$ 137,070,116	\$ 139,272,814	\$ 142,456,736	\$ 144,110,244
Restricted	11,036,039	10,719,819	12,029,519	12,817,564
Unrestricted	22,948,778	25,870,931	22,202,868	21,232,487
Total primary government net position	<u>\$ 171,054,933</u>	<u>\$ 175,863,564</u>	<u>\$ 176,689,123</u>	<u>\$ 178,160,295</u>

Schedule 1

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 84,630,709	\$ 87,258,423	\$ 90,919,036	\$ 95,447,349	\$ 102,834,966	\$ 108,153,971
14,354,176	19,077,005	17,412,130	17,305,576	12,911,307	14,893,996
8,624,784	5,660,045	7,556,314	4,136,883	5,349,355	5,384,411
<u>\$ 107,609,669</u>	<u>\$ 111,995,473</u>	<u>\$ 115,887,480</u>	<u>\$ 116,889,808</u>	<u>\$ 121,095,628</u>	<u>\$ 128,432,378</u>
\$ 63,658,469	\$ 65,677,762	\$ 65,806,134	\$ 75,983,429	\$ 59,420,788	\$ 90,725,131
1,250,000	1,394,377	144,392	144,407	144,424	
12,204,028	16,063,091	20,684,118	21,291,938	44,383,568	28,386,460
<u>\$ 77,112,497</u>	<u>\$ 83,135,230</u>	<u>\$ 86,634,644</u>	<u>\$ 97,419,774</u>	<u>\$ 103,948,780</u>	<u>\$ 119,111,591</u>
\$ 148,289,178	\$ 152,936,185	\$ 156,725,170	\$ 171,430,778	\$ 162,255,754	\$ 198,879,102
15,604,176	20,471,382	17,556,522	17,449,983	13,055,731	14,893,996
20,828,812	21,723,136	28,240,432	25,428,821	49,732,923	33,770,871
<u>\$ 184,722,166</u>	<u>\$ 195,130,703</u>	<u>\$ 202,522,124</u>	<u>\$ 214,309,582</u>	<u>\$ 225,044,408</u>	<u>\$ 247,543,969</u>

City of Louisville, Colorado
Change in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2007	2008	2009	2010
Expenses				
Governmental activities:				
General government	\$ 4,588,436	\$ 3,527,497	\$ 5,915,570	\$ 4,883,885
Public Safety	3,820,474	4,055,906	4,059,025	3,910,810
Public Works	4,655,225	4,704,093	5,015,984	4,360,451
Culture & recreation	4,696,521	5,976,816	4,486,958	5,057,914
Interest on long-term debt	298,680	304,554	288,172	268,997
Total governmental activities expenses	<u>18,059,336</u>	<u>18,568,866</u>	<u>19,765,709</u>	<u>18,482,057</u>
Business-type activities:				
Water & wastewater	5,489,166	6,072,983	6,318,340	7,490,716
Golf	2,002,573	1,947,782	1,832,132	414,501
Solid Waste & Recycling	-	-	591,374	1,021,794
Total business-type activities	<u>7,491,739</u>	<u>8,020,765</u>	<u>8,741,846</u>	<u>8,927,011</u>
Total primary government expenses	<u>\$ 25,551,075</u>	<u>\$ 26,589,631</u>	<u>\$ 28,507,555</u>	<u>\$ 27,409,068</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 907,933	\$ 726,968	\$ 500,794	\$ 651,481
Public Safety	130,692	137,265	194,730	212,851
Public works	878,496	387,877	60,049	23,720
Culture & recreation	1,876,004	1,800,763	1,788,511	1,880,133
Operating grants and contributions	689,551	720,388	695,752	798,576
Capital grants and contributions	3,273,201	346,603	1,925,542	2,021,184
Total governmental activities program revenues	<u>7,755,877</u>	<u>4,119,864</u>	<u>5,165,378</u>	<u>5,587,945</u>
Business-type activities:				
Charges for services:				
Water & wastewater	\$ 6,179,278	\$ 6,836,012	\$ 5,829,653	\$ 6,070,081
Golf	1,889,647	1,921,332	1,749,153	217,551
Solid Waste & Recycling	-	-	605,476	1,060,460
Capital grants and contributions	1,409,453	1,221,728	492,695	461,473
Total business-type activities program revenues	<u>9,478,378</u>	<u>9,979,072</u>	<u>8,676,977</u>	<u>7,809,565</u>
Total primary government program revenues	<u>\$ 17,234,255</u>	<u>\$ 14,098,936</u>	<u>\$ 13,842,355</u>	<u>\$ 13,397,510</u>

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 5,033,889	\$ 5,647,501	\$ 5,649,915	\$ 6,675,768	\$ 7,171,557	\$ 9,891,109
4,125,237	4,239,732	4,401,899	4,553,551	4,441,084	4,780,161
3,881,729	4,363,102	4,682,257	4,936,452	5,650,163	4,131,484
4,630,197	5,140,675	5,439,352	5,292,993	6,448,556	5,704,015
248,327	225,414	200,664	143,261	179,807	266,353
<u>17,919,379</u>	<u>19,616,424</u>	<u>20,374,087</u>	<u>21,602,024</u>	<u>23,891,167</u>	<u>24,773,122</u>
6,235,542	6,023,493	7,094,607	6,925,945	7,500,879	7,851,737
126,305	113,738	102,384	725,639	1,372,857	1,802,025
1,095,806	1,158,653	1,215,817	1,308,423	1,538,800	1,595,911
<u>7,457,653</u>	<u>7,295,884</u>	<u>8,412,808</u>	<u>8,960,007</u>	<u>10,412,536</u>	<u>11,249,673</u>
<u>\$ 25,377,032</u>	<u>\$ 26,912,308</u>	<u>\$ 28,786,895</u>	<u>\$ 30,562,031</u>	<u>\$ 34,303,703</u>	<u>\$ 36,022,795</u>
\$ 885,971	\$ 1,111,862	\$ 1,304,308	\$ 1,197,741	\$ 1,600,561	\$ 1,807,195
180,802	168,048	164,233	190,378	144,169	170,808
125,353	53,422	48,037	50,601	45,858	96,003
2,184,594	2,699,179	2,609,086	2,334,963	2,823,928	3,672,314
1,033,901	1,030,853	1,090,656	1,187,323	1,047,638	783,790
347,156	1,189,700	229,807	946,517	1,514,534	2,660,533
<u>4,757,777</u>	<u>6,253,064</u>	<u>5,446,127</u>	<u>5,907,523</u>	<u>7,176,688</u>	<u>9,190,643</u>
\$ 6,630,588	\$ 7,653,168	\$ 7,026,998	\$ 7,639,334	\$ 8,218,051	\$ 9,880,524
187,791	184,551	96,057	61,271	806,648	1,426,754
1,128,108	1,164,080	1,179,859	1,331,448	1,495,109	1,553,474
2,686,553	4,154,421	4,778,437	6,793,255	4,870,109	12,147,614
<u>10,633,040</u>	<u>13,156,220</u>	<u>13,081,351</u>	<u>15,825,308</u>	<u>15,389,917</u>	<u>25,008,366</u>
<u>\$ 15,390,817</u>	<u>\$ 19,409,284</u>	<u>\$ 18,527,478</u>	<u>\$ 21,732,831</u>	<u>\$ 22,566,605</u>	<u>\$ 34,199,009</u>

City of Louisville, Colorado
Change in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2007	2008	2009	2010
Net (Expense)/Revenue				
Governmental activities	\$ (10,303,459)	\$ (14,449,002)	\$ (14,600,330)	\$ (12,894,111)
Business-type activities	1,986,639	1,958,307	(64,869)	(1,117,446)
Total primary government expenses	<u>\$ (8,316,820)</u>	<u>\$ (12,490,695)</u>	<u>\$ (14,665,199)</u>	<u>\$ (14,011,557)</u>
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Taxes:				
Property taxes	\$ 2,612,945	\$ 2,845,816	\$ 2,851,029	\$ 2,994,253
Sales tax	9,487,467	9,417,834	9,087,268	8,800,525
Use tax	1,392,689	1,159,510	964,036	1,049,104
Franchise tax	997,982	1,142,519	953,819	998,022
Other tax	550,097	541,135	483,320	482,861
General intergovernmental revenue	131,461	123,434	154,825	165,274
Investment earnings	912,032	1,203,708	482,370	297,238
Miscellaneous	97,422	95,982	253,519	448,132
Transfers	64,000	64,000	64,000	64,000
Total governmental activities	<u>16,246,095</u>	<u>16,593,938</u>	<u>15,294,186</u>	<u>15,299,409</u>
Business-type activities :				
Investment earnings	682,776	769,384	260,568	186,587
Miscellaneous	-	-	-	60,724
Transfers	(64,000)	(64,000)	(64,000)	(64,000)
Total business-type activities	<u>618,776</u>	<u>705,384</u>	<u>196,568</u>	<u>183,311</u>
Total primary government	<u>\$ 16,864,871</u>	<u>\$ 17,299,322</u>	<u>\$ 15,490,754</u>	<u>\$ 15,482,720</u>
Extraordinary Item				
Governmental activities:				
Loss on impairment of assets	\$ -	\$ -	\$ -	\$ -
Total governmental activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Business-type activities:				
Loss on impairment of assets	-	-	-	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Change in Net Assets				
Governmental activities	\$ 5,942,636	\$ 2,144,936	\$ 693,856	\$ 2,405,298
Business-type activities	2,605,415	2,663,691	131,699	(934,135)
Total primary government	<u>\$ 8,548,051</u>	<u>\$ 4,808,627</u>	<u>\$ 825,555</u>	<u>\$ 1,471,163</u>

**Schedule 2
(Continued)**

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$(13,161,602)	\$(13,363,360)	\$(14,927,960)	\$(15,694,501)	\$(16,714,479)	\$(15,582,479)
3,175,387	5,860,336	4,668,543	6,865,301	4,977,381	13,758,693
<u>\$(9,986,215)</u>	<u>\$(7,503,024)</u>	<u>\$(10,259,417)</u>	<u>\$(8,829,200)</u>	<u>\$(11,737,098)</u>	<u>\$(1,823,786)</u>
\$ 3,004,038	\$ 2,950,576	\$ 2,982,528	\$ 3,187,825	\$ 3,452,375	\$ 4,089,516
9,086,243	9,747,679	10,441,013	11,230,542	11,778,592	12,592,051
2,184,874	3,012,454	3,808,835	3,740,268	4,305,785	4,996,965
1,013,415	994,447	1,059,412	1,123,485	1,080,496	1,057,233
492,680	558,755	640,578	711,022	748,861	789,592
61,753	65,192	78,281	123,200	335,031	242,592
192,355	148,160	83,472	102,904	96,946	180,038
387,926	329,811	310,051	306,402	476,828	285,967
64,000	(57,914)	(434,038)	(3,828,821)	(1,354,613)	(1,147,173)
<u>16,487,284</u>	<u>17,749,160</u>	<u>18,970,132</u>	<u>16,696,827</u>	<u>20,920,301</u>	<u>23,086,781</u>
116,781	104,480	67,613	91,010	80,639	148,545
8,020	-	151,050	-	116,372	108,397
(64,000)	57,914	434,038	3,828,821	1,354,613	1,147,173
<u>60,801</u>	<u>162,394</u>	<u>652,701</u>	<u>3,919,831</u>	<u>1,551,624</u>	<u>1,404,115</u>
<u>\$ 16,548,085</u>	<u>\$ 17,911,554</u>	<u>\$ 19,622,833</u>	<u>\$ 20,616,658</u>	<u>\$ 22,471,925</u>	<u>\$ 24,490,896</u>
\$ -	\$ -	\$ (150,161)	\$ -	\$ -	\$ -
-	-	(150,161)	-	-	-
-	-	(1,821,826)	-	-	-
-	-	(1,821,826)	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,971,987)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,325,683	\$ 4,385,801	\$ 3,892,011	\$ 1,002,326	\$ 4,205,822	\$ 7,504,302
3,236,188	6,022,730	3,499,418	10,785,132	6,529,005	15,162,808
<u>\$ 6,561,871</u>	<u>\$ 10,408,531</u>	<u>\$ 7,391,429</u>	<u>\$ 11,787,458</u>	<u>\$ 10,734,827</u>	<u>\$ 22,667,110</u>

City of Louisville, Colorado
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2007	2008	2009	2010
General Fund				
Reserved	\$ 745,360	\$ 770,140	\$ 793,766	\$ 729,274
Unreserved	4,613,436	3,893,555	3,610,562	4,372,114
Nonspendable				
Restricted				
Assigned				
Unassigned				
Total general fund	<u>\$ 5,358,796</u>	<u>\$ 4,663,695</u>	<u>\$ 4,404,328</u>	<u>\$ 5,101,388</u>
All Other Governmental Funds				
Reserved	\$ 9,554,650	\$ 9,236,301	\$ 9,290,495	\$ 9,230,903
Unreserved, reported in:				
Special revenue funds	2,148,344	2,219,022	2,057,673	2,121,948
Capital projects funds	3,042,767	4,136,295	3,084,324	2,953,722
Nonspendable				
Restricted				
Committed				
Total all other governmental funds	<u>\$ 14,745,761</u>	<u>\$ 15,591,618</u>	<u>\$ 14,432,492</u>	<u>\$ 14,306,573</u>

Notes:

(1) Beginning in 2011, GASB 54 requires governmental fund balances to be reported as Nonspendable more information.

Schedule 3

Fiscal year					
2011 (1)	2012	2013	2014	2015	2016
155,739	184,727	70,552	185,255	166,746	176,999
641,687	816,524	761,218	933,822	868,162	906,269
160,664	14,784	61,239	242,521	84,856	37,128
5,374,697	3,241,366	5,597,320	2,297,188	4,221,063	4,185,373
<u>\$ 6,332,787</u>	<u>\$ 4,257,401</u>	<u>\$ 6,490,329</u>	<u>\$ 3,658,786</u>	<u>\$ 5,340,827</u>	<u>\$ 5,305,769</u>
370,597	397,021	424,221	456,256	495,226	515,002
13,341,892	17,863,460	16,226,691	15,915,498	11,547,919	13,472,725
1,493,579	1,206,684	1,003,273	482,548	975,379	1,017,091
<u>\$ 15,206,068</u>	<u>\$ 19,467,165</u>	<u>\$ 17,654,185</u>	<u>\$ 16,854,302</u>	<u>\$ 13,018,524</u>	<u>\$ 15,004,818</u>

ble, Restricted, Assigned or Unassigned. See Note 1 (D)(10) to the Financial Statements for

City of Louisville, Colorado
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2007	2008	2009	2010
Revenues				
Taxes (see Schedule 5)	\$ 15,041,180	\$ 15,106,814	\$ 14,339,473	\$ 14,324,765
Licenses, fees, and permits	1,488,464	1,068,193	648,054	741,916
Intergovernmental	4,014,245	1,169,212	2,776,119	2,988,264
Charges for services	1,537,770	1,512,980	1,570,638	1,731,231
Fines and forfeits	170,643	186,993	239,895	264,006
Miscellaneous	1,545,173	1,266,937	748,691	719,792
Total Revenues	<u>23,797,475</u>	<u>20,311,129</u>	<u>20,322,870</u>	<u>20,769,974</u>
Expenditures				
General government	3,251,534	3,916,381	3,890,386	3,927,518
Police	3,765,004	3,867,488	3,945,723	3,940,528
Public works	2,376,136	2,602,796	2,774,586	1,874,229
Planning and building safety	714,330	777,449	755,699	757,086
Library and museum services	1,062,772	1,103,086	1,052,295	1,343,929
Parks and recreation	2,843,613	2,499,768	2,398,776	2,586,552
Non-capitalized budget-basis capital	510,430	20,702	1,275,958	370,620
Net capital outlay	2,994,324	4,468,855	5,030,412	4,290,082
Bond issuance costs	-	-	-	-
Debt service:				
Principal	655,000	670,000	690,000	710,000
Interest	291,973	297,847	281,465	262,291
Total Expenditures	<u>18,465,116</u>	<u>20,224,372</u>	<u>22,095,300</u>	<u>20,062,835</u>
Excess of revenues over/(under) expenditures	5,332,359	86,757	(1,772,430)	707,139
Other Financing Sources (Uses)				
Developer Contributions	-	-	-	-
Sale of fixed assets	-	-	389,934	-
Bond Proceeds	-	-	-	-
Bond Issuance Costs	-	-	-	-
Refund of Prior Year Impact Fees				
Transfers in	96,561	1,983,933	1,480,140	298,287
Transfers out	(32,561)	(1,919,933)	(1,516,140)	(434,287)
Total other financing sources (uses)	<u>64,000</u>	<u>64,000</u>	<u>353,934</u>	<u>(136,000)</u>
Net change in fund balance	<u>\$ 5,396,359</u>	<u>\$ 150,757</u>	<u>\$ (1,418,496)</u>	<u>\$ 571,139</u>
Debt service as a percentage of noncapital expenditures	6%	6%	6%	6%

Schedule 4

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 15,781,250	\$ 17,263,911	\$ 18,932,366	\$ 19,993,142	\$ 21,366,109	\$ 23,525,357
1,335,204	1,960,400	2,048,937	1,559,270	2,543,167	3,022,262
1,444,060	2,285,745	1,396,933	2,106,687	2,724,897	3,761,617
1,817,124	1,850,102	1,849,629	1,853,787	1,911,923	2,118,401
235,246	228,212	223,608	250,633	186,429	216,085
506,154	462,477	525,964	573,269	715,732	713,118
<u>21,119,038</u>	<u>24,050,847</u>	<u>24,977,437</u>	<u>26,336,788</u>	<u>29,448,257</u>	<u>33,356,840</u>
4,067,401	4,256,664	4,409,825	5,428,262	6,042,724	7,291,099
4,108,953	4,276,707	4,419,408	4,646,953	4,489,317	4,719,015
1,873,727	1,974,790	2,073,155	2,474,100	2,153,768	2,164,982
722,348	1,025,080	907,443	864,280	1,088,832	1,034,491
1,394,596	1,450,203	1,499,791	1,616,093	1,722,929	1,725,600
2,691,679	2,737,470	2,858,014	2,776,040	2,986,182	3,191,788
(710,612)	34,395	578,252	(34,864)	1,313,792	(1,186,096)
3,762,430	5,208,206	5,873,602	8,861,021	11,101,751	14,205,413
-	-	-	-	-	-
730,000	755,000	1,310,000	575,000	600,000	624,571
241,621	218,708	193,958	145,223	182,355	268,901
<u>18,882,143</u>	<u>21,937,223</u>	<u>24,123,448</u>	<u>27,352,108</u>	<u>31,681,650</u>	<u>34,039,764</u>
2,236,895	2,113,624	853,989	(1,015,320)	(2,233,393)	(682,924)
-	-	-	93,440	-	50,690
-	-	-	-	1,434,270	198,884
-	-	-	750,000	-	3,750,000
-	-	-	(55,500)	-	(50,690)
887,870	5,165,074	1,403,663	8,122,666	2,322,182	2,594,694
(993,870)	(5,092,988)	(1,837,701)	(11,526,714)	(3,676,795)	(3,741,867)
<u>(106,000)</u>	<u>72,086</u>	<u>(434,038)</u>	<u>(2,616,108)</u>	<u>79,657</u>	<u>2,801,711</u>
<u>\$ 2,130,895</u>	<u>\$ 2,185,710</u>	<u>\$ 419,951</u>	<u>\$ (3,631,428)</u>	<u>\$ (2,153,736)</u>	<u>\$ 2,118,787</u>
6%	6%	8%	4%	4%	5%

City of Louisville, Colorado
Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Use Tax	Franchise Tax	Lodging Tax	Other Tax	Total
2007	2,612,945	9,487,467	1,392,689	997,982	356,701	193,396	15,041,180
2008	2,845,816	9,417,834	1,159,510	1,142,519	369,019	172,116	15,106,814
2009	2,851,029	9,087,268	964,036	953,819	297,912	185,409	14,339,473
2010	2,994,253	8,800,525	1,049,104	998,022	304,674	178,187	14,324,765
2011	3,004,038	9,086,243	2,184,874	1,013,415	335,556	157,124	15,781,250
2012	2,950,576	9,747,679	3,012,454	994,447	365,883	192,872	17,263,911
2013	2,982,528	10,441,013	3,808,835	1,059,412	380,033	260,545	18,932,366
2014	3,187,825	11,230,542	3,740,268	1,123,485	428,075	282,947	19,993,142
2015	3,452,375	11,778,592	4,305,785	1,080,496	469,709	279,152	21,366,109
2016	4,089,516	12,592,051	4,996,965	1,057,233	500,223	289,369	23,525,357
Change 2007-2016	56.51%	32.72%	258.80%	5.94%	40.24%	49.63%	56.41%

City of Louisville, Colorado
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Assessed Commercial Property	Assessed Residential Property	Assessed Industrial Property	Assessed Other Property	Less: Assessed Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2007	137,832,080	182,113,910	87,164,810	16,396,625	42,906,540	423,507,425	6.710
2008	137,287,590	183,113,180	90,622,040	15,843,260	46,629,180	426,866,070	6.710
2009	147,081,680	191,231,710	90,613,200	18,403,610	51,468,920	447,330,200	6.710
2010	153,880,580	192,462,080	77,368,280	23,055,020	51,467,670	446,765,960	6.710
2011	163,845,209	197,030,711	48,727,078	28,285,269	45,656,047	437,888,267	6.710
2012	166,579,015	199,473,825	47,537,853	28,717,654	48,176,664	442,308,347	6.710
2013	165,615,716	211,996,360	48,186,748	30,562,660	51,619,426	456,361,484	6.710
2014	163,263,008	217,114,340	53,458,675	34,867,435	53,347,944	468,703,458	6.710
2015	189,273,194	258,166,377	65,034,365	36,289,151	54,855,584	548,763,087	6.710
2016	189,105,856	261,504,441	69,479,393	37,279,159	57,899,775	557,368,849	6.710

Fiscal Year	Actual Commercial Property	Actual Residential Property	Actual Industrial Property	Actual Other Property	Less: Actual Tax-Exempt Property	Total Taxable Actual Value
2007	475,280,800	2,287,757,100	300,567,800	56,539,600	161,219,395	3,120,145,300
2008	473,403,050	2,300,345,600	312,489,200	54,629,800	175,040,095	3,140,867,650
2009	507,174,600	2,402,389,600	312,458,400	63,461,400	188,688,195	3,285,484,000
2010	530,619,400	2,417,846,000	266,786,300	79,500,300	188,611,395	3,294,752,000
2011	564,989,981	2,475,260,982	168,024,445	97,535,388	168,571,842	3,305,810,796
2012	574,414,786	2,505,953,508	163,923,627	99,026,401	177,038,426	3,343,318,322
2013	571,092,200	2,663,271,227	166,161,227	105,388,468	188,020,573	3,505,913,122
2014	562,976,293	2,727,567,402	184,340,240	120,232,525	195,862,054	3,595,116,460
2015	652,666,286	3,243,296,319	224,256,493	125,135,007	203,443,038	4,245,354,105
2016	652,089,749	3,285,231,645	239,584,060	128,548,805	213,568,192	4,305,454,259

Source: Boulder County Assessor's Office

City of Louisville, Colorado
Property Tax Rates and Tax Levies
Direct and Overlapping Governments
Last Ten Fiscal Years

Mill Levies

Levy Year	Collection Year	City of Louisville			Boulder Valley Schools	Boulder County	Urban Drainage and Flood Control	Louisville Fire District	Northern Colorado Water	Total
		Operating	Debt Service	Total Direct						
2006	2007	5.184	1.526	6.710	39.564	22.467	0.542	6.686	1.000	76.969
2007	2008	5.184	1.526	6.710	37.865	22.467	0.507	6.686	1.000	75.235
2008	2009	5.184	1.526	6.710	39.113	23.067	0.528	6.686	1.000	77.104
2009	2010	5.184	1.526	6.710	39.999	23.667	0.508	6.686	1.000	78.570
2010	2011	5.184	1.526	6.710	43.838	24.645	0.523	6.686	1.000	83.402
2011	2012	5.184	1.526	6.710	44.843	24.645	0.566	6.686	1.000	84.450
2012	2013	5.184	1.526	6.710	45.547	24.645	0.599	6.686	1.000	85.187
2013	2014	5.184	1.526	6.710	45.372	25.120	0.608	6.686	1.000	85.496
2014	2015	5.184	1.526	6.710	47.569	24.794	0.632	6.686	1.000	87.391
2015	2016	5.184	1.526	6.710	45.814	22.624	0.553	6.686	1.000	83.387

Tax Levies

Levy Year	Collection Year	City of Louisville			Boulder Valley Schools	Boulder County	Urban Drainage and Flood Control	Louisville Fire District (1)	Northern Colorado Water	Total
		Operating	Debt Service	Total Direct						
2006	2007	2,044,505	601,835	2,646,340	140,792,830	112,630,364	1,902,890	2,742,042	4,593,229	265,909,530
2007	2008	2,194,163	645,890	2,840,053	150,815,108	124,745,065	1,993,702	2,930,608	5,062,766	289,033,192
2008	2009	2,211,265	650,924	2,862,189	156,938,470	129,119,905	2,100,059	2,950,539	5,416,619	300,038,705
2009	2010	2,315,673	681,658	2,997,331	167,976,116	137,564,655	2,124,166	3,109,216	5,347,290	319,800,432
2010	2011	2,316,565	681,921	2,998,486	183,864,077	142,564,068	2,176,881	3,106,029	5,322,753	340,714,215
2011	2012	2,266,442	667,166	2,933,608	183,588,532	138,085,156	2,304,199	3,054,993	5,164,277	335,797,931
2012	2013	2,288,932	673,787	2,962,719	186,936,602	139,022,459	2,445,639	3,083,219	5,173,950	340,298,375
2013	2014	2,353,928	692,919	3,046,847	190,187,744	144,037,143	2,532,520	3,166,281	5,273,967	348,937,421
2014	2015	2,406,098	708,276	3,114,374	201,551,784	143,254,180	2,665,833	3,221,553	5,346,845	359,862,845
2015	2016	2,810,931	827,446	3,638,377	233,241,682	155,177,134	2,799,968	3,757,815	6,364,089	405,806,511

Notes:

Overlapping tax rates and levies exclude CTC Metro District and Takoda Metro District

Source: Boulder County Assessor's Office (Summary of Levies)

**City of Louisville, Colorado
Principal Property Tax Payers
Current Year and Ten Years Ago**

Taxpayer	Type of Business	2007 Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Sun Microsystems, Inc	Electronic Manufacturing	\$ 10,266,900	1	2.2%
Neodata Services Inc.	Business Services	5,623,680	2	1.2%
Storage Technology Corporation	Electronic Manufacturing	5,079,380	3	1.1%
Storage Technology Corporation	Electronic Manufacturing	4,808,680	4	1.0%
Infinite Funding Company LLC	Business Services	4,579,680	5	1.0%
NEXCORE/RREEF Avista II LLC	Medical Offices	3,868,890	6	0.8%
Riggs & Company	Unknown	2,873,990	7	0.6%
Eagle Hardware & Garden Inc	Retail	2,853,920	8	0.6%
Riggs & Company Trustee of	Unknown	2,842,810	9	0.6%
Piedra Properties LLP	Business Services	2,812,880	10	0.6%
	Totals	<u>\$ 45,610,810</u>		<u>9.8%</u>

Taxpayer	Type of Business	2016 Assessed Valuation	Rank	Percentage of Total Assessed Valuation
COLORADO TECHNOLOGY CENTER PORTFOLIO LLC	Technology	\$12,971,930	1	2.1%
PUBLIC SERVICE CO OF COLORADO	Energy	11,066,640	2	1.8%
PHILLIPS 66 COMPANY	Energy Training and R&D Center	10,374,605	3	1.7%
TFG COAL CREEK PROPERTY LLC	Commercial Real Estate	8,438,857	4	1.4%
TKG LOUISVILLE COLORADO DEVELOPMENT LLC	Commercial Real Estate	5,240,358	5	0.9%
NEODATA SERVICES	Business Services	5,237,980	6	0.9%
INFINITE DRIVE LLC	Commercial Real Estate	4,634,200	7	0.8%
VTR AVISTA MOB LLC	Medical Offices	4,557,698	8	0.7%
LEXINGTON LOUISVILLE L P	Commercial Real Estate	3,910,925	9	0.6%
BOULDER ROAD LLC	Unknown	3,770,000	10	0.6%
	Totals	<u>\$ 70,203,193</u>		<u>11.4%</u>

Source: Boulder County Assessor's Office

City of Louisville, Colorado
Property Tax Levies and Collections
Last Ten Fiscal Years

Levy Year	Collection Year	Total Tax Levy	Total Current Tax Collections	Urban Revitalization District Current Tax Collections	City of Louisville Current Tax Collections	Ratio of Current Tax Collections to Total Tax Levy	City of Louisville Delinquent Tax Collections (1)	City of Louisville Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy
2006	2007	\$ 2,646,340	\$ 2,605,482	\$ -	\$ 2,605,482	98.46%	\$ 7,463	\$ 2,612,945	98.74%
2007	2008	2,840,053	2,833,997	18,439	2,815,558	99.14%	11,819	2,827,377	99.55%
2008	2009	2,862,189	2,849,814	23,529	2,826,285	98.75%	1,215	2,827,500	98.79%
2009	2010	2,997,331	2,992,335	49,106	2,943,229	98.19%	1,918	2,945,147	98.26%
2010	2011	2,998,486	3,000,678	43,310	2,957,368	98.63%	3,360	2,960,728	98.74%
2011	2012	2,933,608	2,947,165	57,253	2,889,912	98.51%	3,411	2,893,323	98.63%
2012	2013	2,962,719	2,979,244	64,110	2,915,134	98.39%	3,284	2,918,418	98.50%
2013	2014	3,046,847	3,184,802	191,316	2,993,486	98.25%	3,023	2,996,509	98.35%
2014	2015	3,114,374	3,446,293	390,988	3,055,305	98.10%	6,082	3,061,387	98.30%
2015	2016	3,638,377	4,074,323	529,979	3,544,344	97.42%	15,193	3,559,537	97.83%

Notes:

(1) Delinquent taxes reported by collection year because they are not available by levy year



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City of Louisville, Colorado
Sales Taxes Collected by Category
Last Ten Fiscal Years

Category	Fiscal Year			
	2007	2008	2009	2010
Agriculture	\$ 10,288	\$ 14,692	\$ 15,483	\$ 12,386
Construction	28,251	23,760	9,991	15,463
Manufacturing	166,047	109,387	127,496	245,502
Trans/Comm/Utilities	1,525,889	1,611,432	1,398,287	1,436,159
Wholesale	143,823	165,215	107,963	119,230
Home Improvements Centers	1,259,846	1,163,491	1,112,998	1,142,131
General Merchandise	1,969,137	1,863,152	1,799,936	983,285
Grocery Stores	1,658,008	1,708,054	1,763,143	1,744,867
Automotive	142,765	90,709	47,134	49,000
Apparel/Accessory	15,471	21,067	37,480	36,736
Furniture	105,467	129,802	101,337	148,801
Food/Beverage	1,199,902	1,232,279	1,253,253	1,394,376
Miscellaneous	398,081	311,289	254,702	308,912
Financial/Insurance	194,936	238,279	304,251	278,138
Services	576,696	676,867	708,817	814,047
Total	<u>\$ 9,394,607</u>	<u>\$ 9,359,475</u>	<u>\$ 9,042,271</u>	<u>\$ 8,729,033</u>

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Fiscal year					
2011	2012	2013	2014	2015	2016
\$ 13,074	\$ 14,889	\$ 41,447	\$ 48,617	\$ 50,162	\$ 56,291
12,491	16,189	47,163	56,161	70,909	124,420
298,269	437,847	306,078	310,406	224,249	288,159
1,421,166	1,390,636	1,432,477	1,503,040	1,423,508	1,521,106
152,813	163,738	172,867	271,459	286,022	255,073
1,148,411	1,292,138	1,457,538	1,413,014	1,437,736	1,572,172
921,223	835,033	901,844	938,333	986,553	960,576
1,730,125	1,837,916	2,068,412	2,359,905	2,786,992	2,973,998
53,055	60,459	65,273	74,218	51,583	63,394
53,918	61,782	68,029	75,105	86,156	100,095
172,292	196,291	227,122	235,225	288,810	298,700
1,552,647	1,709,567	1,862,344	1,981,287	2,108,628	2,287,270
372,326	560,135	472,182	651,849	625,400	660,645
311,410	215,114	267,178	278,582	332,522	373,260
895,681	958,919	1,024,827	996,453	1,213,327	1,296,971
<u>\$ 9,108,901</u>	<u>\$ 9,750,653</u>	<u>\$10,414,781</u>	<u>\$ 11,193,654</u>	<u>\$ 11,972,557</u>	<u>\$ 12,832,130</u>

City of Louisville, Colorado
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Fiscal Year	City of Louisville	County of Boulder	State of Colorado	Regional Transportation District	Cultural District	Football District	Total
2007	3.375%	0.650%	2.90%	1.00%	0.10%	0.10%	8.125%
2008	3.375%	0.650%	2.90%	1.00%	0.10%	0.10%	8.125%
2009	3.500% (1)	0.650%	2.90%	1.00%	0.10%	0.10%	8.250%
2010	3.500%	0.650%	2.90%	1.00%	0.10%	0.10%	8.250%
2011	3.500%	0.800%	2.90%	1.00%	0.10%	0.10%	8.400%
2012	3.500%	0.800%	2.90%	1.00%	0.10%	0.00% (2)	8.300%
2013	3.500%	0.800%	2.90%	1.00%	0.10%	0.00%	8.300%
2014	3.500%	0.800%	2.90%	1.00%	0.10%	0.00%	8.300%
2015	3.500%	0.985% (3)	2.90%	1.00%	0.10%	0.00%	8.485%
2016	3.500%	0.985%	2.90%	1.00%	0.10%	0.00%	8.485%

Notes:

(1) City of Louisville sales tax rate includes voter approved Historic Preservation tax of 0.125% effective January 1, 2009

(2) The Football District tax expired January 1, 2012

(3) Flood Recovery Fund effective 1/1/15 - 12/31/19

City of Louisville
Sales Tax Revenue Payers by Industry
Current Year and Nine Years Ago

Taxpayer (1)	Fiscal Year 2007				Fiscal Year 2016			
	Number of Filers	Percent of Total	Sales Tax Revenue	Percent of Total	Number of Filers	Percent of Total	Sales Tax Revenue	Percent of Total
Agriculture	15	1.0%	\$ 10,288	0.1%	33	2.1%	\$ 56,291	0.4%
Construction	59	3.8%	28,251	0.3%	148	9.6%	124,420	1.0%
Manufacturing	109	7.1%	166,047	1.8%	246	15.9%	288,159	2.2%
Trans/Comm/Utilities	145	9.4%	1,525,889	16.2%	180	11.6%	1,521,106	11.9%
Wholesale	105	6.8%	143,823	1.5%	126	8.2%	255,073	2.0%
Home Improvements	43	2.8%	1,259,846	13.4%	113	7.3%	1,572,172	12.3%
General Merchandise	66	4.3%	1,969,137	21.0%	28	1.8%	960,576	7.5%
Grocery Stores	35	2.3%	1,658,008	17.6%	62	4.0%	2,973,998	23.2%
Automotive	8	0.5%	142,765	1.5%	7	0.5%	63,394	0.5%
Apparel/Accessory	17	1.1%	15,471	0.2%	53	3.4%	100,095	0.8%
Furniture	34	2.2%	105,467	1.1%	80	5.2%	298,700	2.3%
Eating/Drinking	75	4.9%	1,199,902	12.8%	119	7.7%	2,287,270	17.8%
Miscellaneous	252	16.3%	398,081	4.2%	324	21.0%	660,645	5.1%
Financial/Insurance	178	11.5%	194,936	2.1%	251	16.2%	373,260	2.9%
Services	405	26.2%	576,696	6.1%	732	47.3%	1,296,971	10.1%
Totals	1,546	100%	\$ 9,394,607	100%	2,502	100%	\$ 12,832,130	100%

Notes:

(1) Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

City of Louisville, Colorado
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-type Activities			
	General Obligation Bonds	Capital Leases	Sales Tax Refunding Revenue Bonds	URA Tax Increment Financing Bonds	General Obligation Bonds	Capital Leases	Water Bonds Payable	Windy Gap Lease Payments
2007	6,260,000		2,415,000	-	1,190,000		14,458,333	470,812
2008	5,965,000		2,040,000	-	970,000		13,422,500	435,562
2009	5,660,000		1,655,000	-	740,000		12,337,500	398,093
2010	5,345,000		1,260,000	-	-		11,210,833	358,219
2011	5,020,000		855,000	-	-		10,029,166	315,781
2012	4,685,000		435,000	-	-		8,905,000	270,563
2013	3,810,000		-	-	-		8,355,000	222,437
2014	3,235,000		-	750,000	-		7,725,000	171,813
2015	2,635,000		-	750,000	-		7,035,000	118,469
2016	2,015,000	91,229	-	4,500,000	-	1,075,950	6,330,000	-

Notes:

In 2015, the City incurred a new loan agreement with Colorado Water Resources & Power Development Authority
In 2015 and 2016, the City entered into lease purchase financing agreements with Alpine Bank

Business-type Activities						
Wastewater Revolving Loan	Stormwater Revolving Loan	Total Primary Government	Ratio of G.O Bonds to Actual Property Value	Net G.O. Bonds Per Capita	Ratio of Total Debt Per Capita	Ratio of Total Debt to Total Personal Income
-	-	24,794,145	0.24	413	1,373	2.81
-	-	22,833,062	0.22	380	1,250	2.51
-	-	20,790,593	0.19	351	1,139	2.43
-	-	18,174,052	0.16	291	989	2.00
-	-	16,219,947	0.15	270	873	1.69
-	-	14,295,563	0.14	247	754	1.39
-	-	12,387,437	0.11	196	636	1.14
-	-	11,881,813	0.09	162	596	1.01
26,104,619	5,346,729	41,989,816	0.06	130	2,076	3.45
25,388,084	5,199,969	44,600,232	0.05	N/A	N/A	N/A

City of Louisville, Colorado
Computation of Direct and Overlapping Bonded Debt
As of December 31, 2016

<u>Jurisdiction (1)</u>	<u>Net General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to Louisville (2)</u>	<u>Amount Applicable to Louisville</u>
Direct:			
City of Louisville	<u>\$ 2,015,000</u>	100.00%	<u>\$ 2,015,000</u>
Overlapping:			
Boulder Valley School District No. RE-2	542,065,000	9.20%	49,894,404
Colorado Tech Center Metropolitan District	7,975,000	100.00%	7,975,000
Northern Colorado Water Conservancy District	3,811,085	3.03%	115,484
Takoda Metro District	10,115,000	100.00%	10,115,000
Subtotal Overlapping Debt	<u>563,966,085</u>		<u>68,099,888</u>
Total direct and overlapping debt	<u>\$ 565,981,085</u>		<u>\$ 70,114,888</u>

Notes:

- (1) The following entities also overlap the City but have no general obligation debt outstanding:
Louisville Fire District, Boulder County, Urban Drainage and Flood Control District and Urban Revitaliz
- (2) Percentage Applicable to Louisville is Louisville's total assessed valuation as a percentage of the jurisdiction's total assessed valuation.

Sources: Individual taxing entities



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**City of Louisville, Colorado
Computation of Legal Debt Margin
Last Ten Fiscal Years**

	Fiscal Year				
	2007	2008	2009	2010	2011
Total estimated actual value	3,120,145,300	3,140,867,650	3,285,484,000	3,294,752,000	3,305,810,796
Debt limit: 3% of actual value	93,604,359	94,226,030	98,564,520	98,842,560	99,174,324
Total net amount of debt applicable to debt limit	7,450,000	6,935,000	6,400,000	5,345,000	5,020,000
Legal debt margin	86,154,359	87,291,030	92,164,520	93,497,560	94,154,324
Total net debt applicable to the limit as a percentage of debt limit	7.96%	7.36%	6.49%	5.41%	5.06%

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Fiscal Year				
2012	2013	2014	2015	2016
3,363,669,938	3,569,232,380	3,659,860,273	4,308,600,376	4,368,015,411
100,910,098	107,076,971	109,795,808	129,258,011	131,040,462
4,685,000	3,810,000	3,235,000	2,635,000	2,015,000
96,225,098	103,266,971	106,560,808	126,623,011	129,025,462
4.64%	3.56%	2.95%	2.04%	1.54%

**City of Louisville, Colorado
Pledged Revenue Coverage
Last Ten Fiscal Years**

Fiscal Year	Water Revenue Bonds							Total Debt Service	Coverage
	Operating Utility Revenue (1)	Tap Fees	Gross Utility Revenue (2)	Less: Operating Expenses (3)	Net Available Revenue	Debt Service			
						Principal	Interest		
2007	6,862,054	1,409,453	8,271,507	3,517,303	4,754,204	1,028,188	616,359	1,644,547	2.89
2008	7,605,396	1,221,729	8,827,125	4,125,973	4,701,152	1,073,167	584,204	1,657,371	2.84
2009	6,103,529	492,695	6,596,224	4,254,750	2,341,474	1,122,469	516,902	1,639,371	1.43
2010	6,256,347	461,473	6,717,820	4,181,847	2,535,973	1,166,542	470,095	1,636,637	1.55
2011	6,744,604	2,089,806	8,834,410	4,480,936	4,353,474	1,224,105	415,786	1,639,891	2.65
2012	8,138,286	4,082,601	12,220,887	4,645,172	7,575,715	1,169,385	364,256	1,533,641	4.94
2013 (4)	7,345,532	4,582,766	11,928,298	5,101,043	6,827,255	663,125	321,244	984,369	6.94
2014	7,778,834	2,750,563	10,529,397	5,130,470	5,398,927	680,625	251,655	932,280	5.79
2015 (5)	9,739,013	3,180,505	12,919,518	5,068,689	7,850,829	933,344	641,813	1,575,157	4.98
2016	12,846,557	9,327,206	22,173,763	5,568,648	16,605,115	1,626,045	830,479	2,456,524	6.76

Notes:

(1) Operating Utility Revenue = all operating revenue, interest earnings, intergovernmental revenue, and gains on asset sales.

(2) Gross Utility Revenue = Operating Utility Revenue plus Tap Fees.

(3) Operating Expenses = total operating expenses exclusive of depreciation.

(4) The final payment on the 1992 Water Resources and Power Development Authority Note occurred in 2012.

(5) Loan agreement with Colorado Water Resources & Power Development Authority occurred in 2015.

**City of Louisville, Colorado
Principal Employers
Current Year and Nine Years Ago**

2007			
Company	Estimated Number of Employees (1)	Rank	Percentage of Total City Employment
Electronic Data Systems	600	1	5.18%
McKesson HBOC	600	2	5.18%
Avista Adventist Hospital	470	3	4.06%
Kable Fulfillment Services, Inc	450	4	3.89%
City of Louisville	325	5	2.81%
Lookheed Martin Coherent Tech	305	6	2.63%
Global Health	250	7	2.16%
Medtronic	250	8	2.16%
Invonics	200	9	1.73%
2016			
Company	Estimated Number of Employees (1)	Rank	Percentage of Total City Employment
Avista Adventist Hospital	766	1	5.3%
Balfour Senior Living	450	2	3.1%
Fresca Foods	355	3	2.5%
City of Louisville	340	4	2.4%
Sierra Nevada Space Corp	306	5	2.1%
Medtronic	291	6	2.0%
Design Mechanical	287	7	2.0%
Gloval Health Exchange	256	8	1.8%
Westcon Group	240	9	1.7%
Centennial Peaks Hospital	227	10	1.6%

Notes:

(1) Represents full-time, part-time and temporary employees.

City of Louisville, Colorado
Demographic and Economic Statistics,
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (thousands of dollars)	Per Capita Personal Income (2)	Median Age (1)	School Enrollment (3)	Unemployment Rate (4)
2007	18,055	881,680	48,833	34.9	28,423	3.3
2008	18,271	908,635	49,731	35.1	28,373	4.1
2009	18,248	855,375	46,875	35.5	28,861	6.8
2010	18,376	909,851	49,513	35.9	29,206	6.9
2011	18,570	961,257	51,764	36.3	29,433	6.3
2012	18,967	1,030,686	54,341	36.6	29,572	5.9
2013	19,481	1,085,189	55,705	36.9	30,134	5.2
2014	19,946	1,175,158	58,917	37.3	30,665	3.7
2015	20,224	1,217,889	60,220	37.6	30,951	2.9
2016	N/A	N/A	N/A	37.8	30,921	2.2

Notes:

(1) Colorado Department of Local Affairs - State Demography Office. 2010 population reflects U.S. Census results. Population estimates are for the City of Louisville; Median Age estimates are for Boulder County. Population estimates not available for 2016 at the time of schedule preparation.

(2) U.S. Department of Commerce, Bureau of Economic Analysis for Boulder County Metropolitan Statistical Area. Per Capital Personal Income not available for 2015 at the time of schedule preparation.

(3) Boulder Valley School District Enrollment Count.

(4) Bureau of Labor Statistics for Boulder County.

City of Louisville, Colorado
Full-time City Government Employees by Function/Program
Last Ten Fiscal Years

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Function/Program:										
General Government										
City Management	3	3	4	4	4	5	5	5	5	4
City Clerk	3	2	2	1	1	1	1	1	1	1
Human Resources	3	3	4	2	1	1	3	3	4	5
Finance and IT	8	9	11	11	10	10	9	9	11	15
Police	38	38	38	38	36	37	38	37	32	37
Public Works	42	45	45	43	41	44	41	40	45	45
Planning	8	9	9	8	9	9	9	9	9	7
Library	10	9	9	8	7	7	10	11	11	11
Recreation & Senior Services	13	11	11	9	9	10	9	13	12	12
Parks & Open Space	14	14	14	14	14	13	16	17	17	18
Golf Course (1)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	7	5
Total Full-Time Employees	142	143	147	138	132	137	141	145	154	160

(1) Golf Course staffed by City employees commencing in 2015.

City of Louisville, Colorado
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year					
	2007	2008	2009	2010	2011	2012
General government						
Building permits issued	924	919	1,059	1,140	1,098	1,281
Building inspections concluded	3,857	4,249	4,119	4,333	4,996	7,412
Police						
Physical arrests	279	343	275	245	252	285
Parking violations	182	178	223	239	163	159
Traffic violations	1,166	1,407	1,931	2,184	1,510	1,557
Other public works						
Street sweeping - miles per year	5,761	3,842	2,063	2,517	2,687	2,733
Potholes repaired	4,725	1,384	1,500	2,654	1,615	1,614
Snow and Ice - miles per year cleared	16,090	7,060	19,336	11,254	17,299	10,191
Square feet of buildings to maintain	141,916	146,496	146,496	146,496	146,496	146,496
Parks and recreation						
Attendance	209,615	230,832	236,832	236,945	236,923	268,385
Athletic field permits issued	23	25	21	20	20	26
Library						
Volumes in collection	72,178	80,785	82,236	85,050	105,451	95,213
Water						
New connections	6	18	20	16	72	107
Water main breaks	5	6	9	8	12	6
Average daily consumption	3,589,147	3,775,740	3,207,000	3,168,000	3,334,358	3,772,187
Peak daily consumption	8,305,000	9,518,000	6,792,000	7,025,000	7,522,000	8,159,000
Wastewater						
Average daily sewage treatment	1.815 MGD	1.7 MGD	1.794 MGD	1.773 MGD	1.670 MGD	1.80 MGD

Source: Internally tracked departmental statistics

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2013	2014	2015	2016
1,205	1,249	1,332	1,513
7,212	7,557	7,650	9,941
341	238	169	304
217	315	417	526
1,350	1,548	2,061	3,051
2,234	1,853	3,316	3,058
1,434	1,686	3,168	1,115
15,262	12,532	15,422	9,924
148,933	155,033	186,700	187,800
270,980	278,603	286,966	271,478
26	29	31	33
88,885	86,814	90,842	90,521
40	87	58	84
7	10	6	10
3,100,000	3,130,000	3,003,000	2,950,000
7,500,000	7,900,000	7,087,000	6,756,000
1.70 MGD	1.83 MGD	1.96 MGD	1.79 MGD

City of Louisville, Colorado
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	17	17	17	17	17	17	17	17	18	18
Public Works										
Streets and Highways (miles)	86	86	87	87	87	87	87	88	88	88
Parks and recreation										
Parks Acreage	178.11	178.11	178.11	178.11	310	310	306	306	306	353
Acres of Open space owned by the City and jointly	2000	2000	2000	2000	1768	1768	1755	1800	1800	1800
Playgrounds	13	13	13	13	14	14	14	14	14	14
Baseball/softball diamonds	11	11	11	11	11	11	11	11	11	11
Soccer/football fields	14	14	14	14	14	14	11	11	11	11
Community centers	2	2	2	2	2	2	2	2	2	2
Water										
Water mains (miles) (1)	127	127	127	127	123	123	125	122	122	118
Fire hydrants										
Storage capacity	8 MGD	8 MGD	8 MGD	8 MGD	8 MGD	8.5 MGD	8.5 MGD	8.5 MGD	8.5 MGD	8.5 MGD
Treatment capacity	13 MGD	13 MGD	13 MGD	13 MGD	13 MGD	13 MGD	13 MGD	13 MGD	13 MGD	13 MGD
Wastewater										
Sanitary sewers (miles) (1)	87	87	87	91	89	89	89	88	88	88
Storm sewers (miles) (1)	51	51	51	51	40	40	40	41	41	39
Treatment capacity (thousand of gallons)	3.4 MGD	3.4 MGD	3.4 MGD	3.4 MGD	3.4 MGD	3.4 MGD	3.4 MGD	3.4 MGD	3.4 MGD	3.4 MGD

Notes:

(1) Beginning in 2011 amounts reported only include public miles

Source: Internally tracked departmental statistics



Compliance Section



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CPAs & BUSINESS ADVISORS

Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Honorable Mayor and Members of the City Council
City of Louisville, Colorado

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Louisville, Colorado (the City) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise City’s basic financial statements, and have issued our report thereon dated June 22, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses or schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. We consider item 2016-A described in the accompanying schedule of findings and questioned costs to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Louisville, Colorado's Response to Finding

The City of Louisville, Colorado's response to the finding identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Eide Sully LLP".

Fort Collins, Colorado
June 22, 2017



Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance

To the Honorable Mayor and Members of the City Council
City of Louisville, Colorado

Report on Compliance for Each Major Federal Program

We have audited the City of Louisville, Colorado’s (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City’s major federal programs for the year ended December 31, 2016. The City’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor’s Responsibility

Our responsibility is to express an opinion on the compliance for each of the City’s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City’s compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2016.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Eide Sully LLP

Fort Collins, Colorado
June 22, 2017

City of Louisville, Colorado
 Schedule of Expenditures of Federal Awards
 Year Ended December 31, 2016

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Expenditures</u>
<u>Department of Transportation</u>			
Passed through from State of Colorado - Department of Transportation Highway Planning and Construction			
Total Department of Transportation	20.205	HAA20007	\$ 1,711,153
<u>Department of Housing and Urban Development</u>			
Passed through from the City of Longmont - Hurricane Sandy Community Development Block Grant Disaster Recovery Grants			
Total Department of Housing and Urban Development	14.269	B-13-DS-08-001	415,322
<u>Environmental Protection Agency</u>			
Passed through Colorado Water Resources and Power Development Authority Capitalization Grants for Clean Water State Revolving Funds			
Total Environmental Protection Agency	66.458	W15A079	<u>8,134,249</u>
Total Federal Financial Assistance			<u><u>\$ 10,260,724</u></u>

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of City of Louisville, Colorado (the City), and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the Uniform Guidance. The City received federal awards indirectly through pass-through entities. No federal financial assistance has been provided to a subrecipient.

Note B – Significant Accounting Policies

Governmental fund types account for the City's federal grant activity. Therefore, expenditures in the schedule of expenditures of federal awards are recognized on the modified accrual basis – when they become a demand on current available financial resources. The City's summary of significant accounting policies is presented in Note 1 in the City's basic financial statements.

The City has not elected to use the 10% de minimus cost rate.

Section I – Summary of Audit Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516	No

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
Highway Planning and Construction	20.205
Capitalization Grants for Clean Water State Revolving Funds	66.458
Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee	Yes

Section II – Financial Statement Findings

**2016-A Impact Fees
 Material Weakness**

Criteria: The City is required to provide accurate GAAP basis financial data for preparation of the annual CAFR. A good system of internal control contemplates an adequate process for identifying changes made to software, particularly that which has implications for financial reporting. Additionally, a sound system of internal controls allows management to detect when erroneous changes are made and to correct such changes in a timely manner.

Condition: The City performs a study every five years over impact fees being charged. In conjunction with the study performed in 2017, management identified that incorrect impact fees had been charged for multi-family housing developments in 2015 and 2016. The fees were charged incorrectly due to staff overriding the system-generated rates when multi-family housing development building permits were issued.

Cause: The cause of the condition noted above is a combination of limitations of the legacy system in operation at the time the system override was performed, as well as lack of staff availability to review completed permits for accuracy. The legacy system, which has been replaced with a new system, did not produce a system change report, which could have been reviewed to identify when manual system overrides were being performed. Due to this system limitation, a mitigating control activity would have been a manual review of the permits issued by an individual other than the person who originally created the permit to ensure the correct fees were utilized. Due to limited staff availability, it was not economically feasible for another staff member to perform this review.

Effect: If computer system changes or overrides are not regularly evaluated, the City must rely on a manual reconciliation review control and other mitigating controls in order to identify errors in fees utilized. There is a risk that the nature of such a manual control would be too cumbersome to be implemented effectively due to limited staff available to perform such a review, resulting in an ineffectively implemented control activity.

Recommendation: We recommend the City incorporate a system change report functionality to the new system, EnerGov, which identifies when any changes to fees occurs. This change report should be reviewed at least monthly by the Planning Director. Additionally, we recommend that a review be performed whenever impact fees are updated in the system due to changes resulting from the impact fees study. Such review should be performed by an individual other than the person who updated the system to reflect the new fee schedule.

Views of Responsible Officials: City of Louisville Management agrees with the finding. See Corrective Action Plan on page 151 for more detail.

Section III – Federal Award Findings and Questioned Costs

None Reported

Initial Fiscal Year Finding Occurred: 2015

Finding Summary: No documented review and approval of journal entries during the year.

Status: The Finance Department, in conjunction with implementation of a new financial software system, has implemented a “two-tier” creation and review process for journal entries, whereby journal entries are entered into the system and “parked” by the employee creating the journal entry. The journal entry must then be electronically reviewed and approved by appropriate supervisory personnel before final posting.

June 22, 2017

Eide Bailly LLP
375 E. Horsetooth Road, Bldg. 4200
Fort Collins, Colorado 80525

RE: 2016 Financial Statement Finding – Over-Collection of Impact Fees

This letter is provided in response to the 2016 financial statement finding referenced above. The following outlines Management's Corrective Action Plan:

Planning and Building Safety staff have reviewed all public information, including information on the City's website, handouts, and corrected the fee schedules. Staff has also corrected the fees in the City's permitting software. New impact fees were recently adopted and go into effect July 1, 2017. Staff will updated all public information and permitting software and have a minimum of two staff members review all information to verify it matches the adopted fee schedule prior to July 1. On an annual basis, when the City Council and City Manager set the new fee tables for the year, staff will review all public information and the permitting software to ensure all fees, including impact fees, are accurate and up to date. Two staff members will conduct this review for redundancy.

Anticipated completion date of the corrective action: Immediately and on-going.

Name of contact person for corrective action: Rob Zuccaro, Planning & Building Safety Director

City of Louisville Management

The public report burden for this information collection is estimated to average 380 hours annually.

LOCAL HIGHWAY FINANCE REPORT	City or County:
	YEAR ENDING : December 2014

This Information From The Records Of (example - City of _ or County of	Prepared By: Phone:
--	------------------------

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	9,640,660
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	947,837
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	129,625
2. General fund appropriations	6,747,780	b. Snow and ice removal	314,740
3. Other local imposts (from page 2)	3,210,150	c. Other	
4. Miscellaneous local receipts (from page 2)	216,123	d. Total (a. through c.)	444,365
5. Transfers from toll facilities		4. General administration & miscellaneous	2,004,884
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	13,037,746
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	10,174,053	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	1,152,540	2. Notes:	
D. Receipts from Federal Government (from page 2)	1,711,153	a. Interest	
E. Total receipts (A.7 + B + C + D)	13,037,746	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	13,037,746

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	13,037,746	13,037,746		(0)

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2014	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	2,748,806	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	166,668
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	269,700	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	191,644	g. Other Misc. Receipts	49,455
6. Total (1. through 5.)	461,344	h. Other	
c. Total (a. + b.)	3,210,150	i. Total (a. through h.)	216,123
	(Carry forward to page 1)		(Carry forward to page 1)
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	626,946	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	73,328	d. Federal Transit Admin	
d. Other (Specify) - CDOT/Pub Saf	452,266	e. U.S. Corps of Engineers	
e. Other (Specify)	0	f. Other Federal	1,711,153
f. Total (a. through e.)	525,594	g. Total (a. through f.)	1,711,153
4. Total (1. + 2. + 3.f)	1,152,540	3. Total (1. + 2.g)	
			(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities	2,582,390		2,582,390
(2). Capacity Improvements	420,277		420,277
(3). System Preservation	6,625,139		6,625,139
(4). System Enhancement & Operation	12,854		12,854
(5). Total Construction (1) + (2) + (3) + (4)	9,640,660	0	9,640,660
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	9,640,660	0	9,640,660
			(Carry forward to page 1)
Notes and Comments:			



June 22, 2017

To the Honorable Mayor and Members of the City Council
City of Louisville, Colorado

We have audited the financial statements of City of Louisville (the City) as of and for the year ended December 31, 2016, and have issued our report thereon dated June 22, 2017. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated November 10, 2016, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of City of Louisville solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding a material weakness over financial reporting and other matters noted during our audit in a separate letter to you dated June 22, 2017.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by City of Louisville is included in Note 1 to the financial statements. The City implemented the provisions of GASB Statement No. 72, *Fair Value Measurement and Application* and GASB Statement No. 77, *Tax Abatement Disclosures*, during 2016. There have been no other changes in significant accounting policies or their application during 2016. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. The City's financials do not include any significant estimates.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the City's financial statements relate to:

The disclosure of Deposits and Investments in Note 3; Inter-fund receivables/payables, advances, and transfers in Note 5; Capital Assets in Note 6; Long-term debt in Note 7; Commitments in Note 10; Tax, spending and debt limitations in Note 12; and Prior period adjustment in Note 13.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. The following summarizes uncorrected misstatements:

As part of the City's implementation of the new accounting system in 2016, City management identified and corrected errors in the capital asset listing for both governmental activities and business-type activities and corrected for the year ended December 31, 2016. Certain corrections were made to reclassify capital assets between categories. There was a net amount of approximately \$701,000 additions to governmental activities and approximately \$(110,000) deletions from business-type activities. The net impact to the Consolidated Utility Fund was approximately \$(98,000) and the net impact to the Golf Course Fund was approximately \$(12,000). These corrections were recorded as current year activity rather than restating opening fund balance and net position.

The City has entered into several solar leases. During the current year, a lease that was signed in 2015 was determined to be a capital lease. The value of the lease and capital assets at the end of the prior year were approximately \$97,000 and \$413,000 for the governmental activities and business type activities, respectively. Based on the timing of signing the 2015 lease there was no significant impact on fund balance. As such, this lease will be recorded as current year activity rather than restating opening fund balance.

The following misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management:

Consolidated Utility Fund (business-type activities and fund financial statements)

Capital lease equipment	\$1,108,100	
Depreciation expense	\$ 34,507	
Interest expense	\$ 27,575	
Capital lease liability		\$1,075,950
Accumulated depreciation		\$ 34,507
Rent expense		\$ 59,725

To recognize equipment acquired via capital lease and associated capital lease liability.

Governmental Activities

Capital lease equipment	\$96,900	
Depreciation expense	\$ 6,056	
Interest expense	\$ 4,518	
Capital lease liability		\$91,229
Accumulated depreciation		\$ 6,056
Rent expense		\$10,189

To recognize equipment acquired via capital lease and associated capital lease liability.

General Fund (fund financial statements)

Principal – capital leases	\$4,571	
Interest – capital leases	\$4,518	
Rent expense		\$9,089

To recognize principle and interest paid on capital lease in 2016.

The following misstatement was identified and corrected by management:

Impact Fee Fund and Governmental Activities

Fund Balance / Net Position	\$167,551	
Accrued expenses		\$167,551

To record refund of impact fees which were overcharged in 2015.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the financial statements or the auditor’s report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management in the management representation letter dated June 22, 2017.

Management’s Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City’s auditors.

Modification of the Auditor’s Report

We have added an emphasis of matter paragraph to the opinion to draw attention to Note 13 of the financial statements, which describe the restatement of the previously issued 2015 financial statements. Note 13 describes the restatement of opening net position and fund balance for the governmental activities and aggregate remaining funds, respectively, for impact fees overcharged in 2015.

This report is intended solely for the information and use of the Honorable Mayor and Members of the City Council and management of the City of Louisville, Colorado and is not intended to be and should not be used by anyone other than these specified parties.

Eide Sully LLP

Fort Collins, Colorado

SUBJECT: BUDGET AMENDMENT – PRESENTATION BY PUBLIC WORKS

DATE: JULY 21, 2017

PRESENTED BY: VARIOUS

SUMMARY:

Attached is a memorandum from Kurt Kowar, Public Works Director and Cory Peterson, Water Resources Engineer, which summarizes a proposed budget increase for Water Plant upgrades and deferred maintenance.

The Public Works Director will be at the meeting to discuss the request with Committee members and answer questions. This memorandum has been presented to the Utility Committee. Upon approval by both Committees, a formal budget amendment will be presented to full Council on August 15 or September 5.

TO: Utility Committee

FROM: Kurt Kowar, Director of Public Works
Cory Peterson, Water Resources Engineer

DATE: 7/21/17

SUBJECT: Water Plant Upgrades CIP – Budget Amendment Followup

The purpose of this memo is to recommend approval of additional funding in the amount of \$1,575,000 to complete deferred smaller scale repairs at both of the City's Water Treatment Plants. The repairs will bring the WTP's to a minimum acceptable condition, support a zero tolerance policy of insufficient maintenance habits, and reinforce a desired WTP division cultural norm for the future. This memo outlines a 1, 2 and 3 year plan for completion of these repairs. Staff is recommending approval of all funding in a single approval so that operations staff can move forward efficiently without future purchasing or administrative process delays. It is anticipated that all repairs can be completed by mid 2018.

Through the early to mid-years of the 2000's the City had a culture of minimal maintenance spending and capital planning. This was a philosophy that was instilled in the culture of the employees. From 2010 to 2012 the Utility Committee pressed City Staff to complete infrastructure plans to identify improvements for the water and wastewater facilities to ensure future EPA compliance and reliability. Since the completion of those plans financial and capital planning has resulted in the completion of many major improvements with additional major items in the currently approved capital plan. Unfortunately, there has also been a failure by the operational level staff to identify smaller needed repairs and obsolete infrastructure to keep a minimum level of efficiency and reliability at the WTP facilities.

Beginning in 2012 a Public Works and Utilities culture change was undertaken to establish a minimum level of maintenance and care for the City's facilities. This change was a top down change from the Director. This change was heavily reliant upon the skill and influence of the 2nd tier supervisory staff. The WTP staff experienced significant changes in this position that unfortunately delayed their progress for many years. From 2012 – 2014 the long time WTP Superintendent experienced health issues that unfortunately took his life. Soon after, the 3rd tier Chief WTP Operator retired. In 2014, a new WTP Superintendent and Chief Operator were hired. From 2014 to 2015 the new WTP Superintendent struggled to meet demands and ultimately resigned. From 2014 to early 2016 the new WTP Chief Operator struggled to gain staff buy in, experienced health issues, and was unable to return from FMLA. In mid-2015, the City was able to hire a 2nd new Superintendent that has proved to be a strong leader. In mid-2016, the City was able to hire a new Chief Operator under the Superintendent whom has also proven to be a strong leader. Finally, through late 2015 and 2016 six out of 10 operations staff

left the City (3 retired, 3 resigned) due to increased expectations around work performance and work place behavior.

Once able to establish strong leadership and increased operations staff accountability the Director issued a zero tolerance policy focused on insufficient repairs and maintenance practices. In late 2016, Public Works Staff performed a comprehensive walk through assessment of the both the Sid Copeland (SCWTP) and the Howard Berry Water Treatment Plants (HBWTP). The purpose of the walk through was to identify items, processes and equipment that are in need of repair, replacement or remediation.

During this exercise, 186 projects (103 at HBWTP and 83 at SCWTP) were identified and listed. Some of these items were completed in 2016 by plant staff with little or no cost. Other projects were tabled due to: need, timing, high cost, additional analysis or a combination thereof.

The remaining projects were condensed to 102 (44 at HBWTP and 58 at SCWTP) based on necessity to maintain long term viability of the WTPs. Staff assigned a project cost estimate to each of the projects for a total of \$1.575 million (\$750,000-HBWTP and \$825,000-SCWTP). Included in this price is approximately 5% for engineering services to be used for building code, Colorado Department of Public Health and Environment or other regulatory agencies requirements. Table 1 provides a categorized breakdown.

Table 1 - Project Summary

Project Category	Number of Project	Cost Estimate
Concrete and Asphalt	8	\$125,000
Meters	12	\$190,000
Pumps and Valves	11	\$190,000
Electrical and Instrumentation	31	\$204,000
Building, Vaults and Tanks	24	\$325,000
Process Equipment and Piping	8	\$451,000
Demolition and Removal	8	\$15,000
Engineering and Design		\$75,000
Total	102	\$1,575,000

Additional, each project was prioritized by three categories using a simplified scale of “low”, “medium” and “high”. The three categories delineated as follows:

- Existing Condition: defined as the relative working status with a “high” ranking meaning the project was near failure and “low” having a minor amount of useful life remaining.
- Severity/Impact: defined as how critical the component is to the plant process. The lower the score the less critical the item is to the successful treatment of water.
- Notification/Detection: defined as how visible the item is to alert Staff of a failure. The higher the classification, the less monitoring capability is available.

Using the scale in each category a priority rating ranging between 1 to 10 was developed and allocated to each project.

To estimate impacts to the budget, the projects were further divided in to a one, two and three year plan (provided below in the exhibit). Projects were arranged by priority, with projects priority ratings high (5 to 10 and 7 to 10) scheduled for the first year in the multi-year plans. The lower priority projects (1 to 4 and 1 to 3) were used for the final year. The remaining mid-priority 4 to 6 projects were used in the second year of the 3-year plan. The following table provides a summary of the three plans and the corresponding budget. (Note: some lower priority projects have already been initiated and are shown in 2017).

Table 2 - Plan Cost Estimate

	2017	2018	2019
1-Year Plan	All priorities		
HBWTP	\$750,000		
SCWTP	\$825,000		
2-Year Plan	Priorities 5 to 10	Priorities 1 to 4	
HBWTP	\$465,000	\$285,000	
SCWTP	\$423,000	\$402,000	
3-Year Plan	Priorities 7 to 10	Priorities 4 to 6	Priorities 1 to 3
HBWTP	\$430,500	\$52,500	\$267,000
SCWTP	\$241,500	\$264,000	\$319,500

The three scenarios were evaluated using the City’s financial model. Table 3 presents the calculated rate increase from this evaluation.

Table 3 - Recommended Water Rate Increase

Scenario	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
2017 Adopted	0%	3%	3%	3%	3%	2%	4%	4%	4%	4%
1-Year Plan	0%	2%	3%	3%	3%	2%	2%	2%	0%	0%
2-Year Plan	0%	2%	3%	3%	3%	2%	2%	2%	0%	0%
3-Year Plan	0%	2%	3%	3%	3%	2%	2%	2%	0%	0%

The results from the model show no variation in the recommended rates. The lack of variation is attributable to the projected income to the Water Fund over the next 5 years, specifically the revenue generated by tap fees. The below graph illustrates the calculated fund balance and target fund balance for each plan from 2017 to 2027. Given the increasing fund balance through 2020 the timing of the projects within this four year period has no impact. As a result of this analysis, staff had recommended the approval of the 1-year plan.

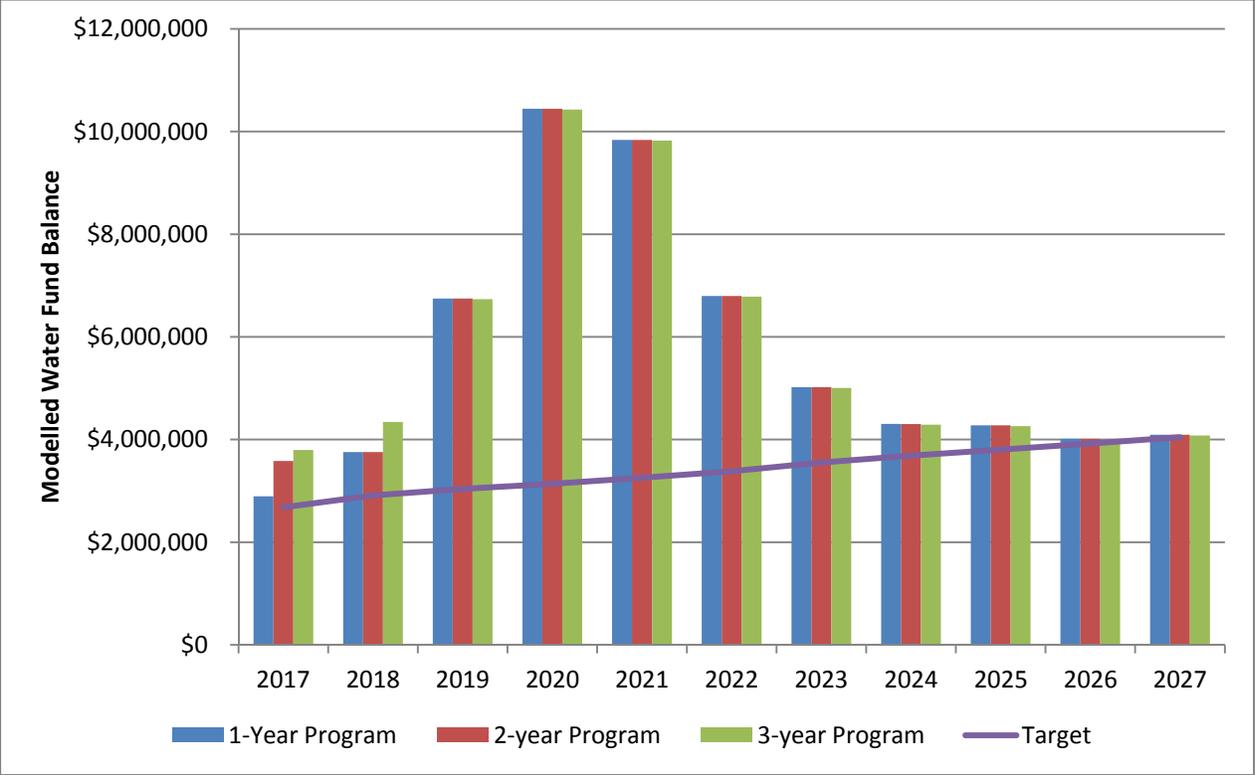


Exhibit: Project Plans

1-Year Plan

Item Description	Priority Ranking (1-10)	Estimated Cost
Trac-vac Repair	10	\$9,600
New Raw Access Shed	1	\$12,000
Seal and Repair Concrete	3	\$12,000
Cherry Street Pipeline valve (CCGC) Replacement	8	\$80,000
Parking Lot Crack Seal and Patching	2	\$30,000
New Raw Water Bypass Valve	7	\$15,000
Lighting Improvements	1	\$6,000
Meter Testing / Calibration	6	\$2,000
Demo and Replace Surrounding Concrete (sidewalks)	3	\$27,000
Soda Ash Feeder Removal	3	\$5,000
Permanganate Feeder and Equipment Removal	3	\$5,000
Chemical Feed Electrical Boxes Removal	3	\$3,000
PH Meter Replacement	7	\$8,000
SCD Meter Replacement	7	\$8,000
Chemical Building Programmable Logic Controller (PLC) Removal	2	\$14,000
Obsolete Exterior Fire Alarm Removal	1	\$1,200
DIOXIDE Lighting Replacement	2	\$500
Exterior Painting	3	\$3,500
Demo and Replace Surrounding Concrete (sidewalks and stairs)	3	\$6,000
Flocculator Replacement	9	\$120,000
New Utility Sink	1	\$240
Lighting Improvements	3	\$18,000
VFD Electrical Panel Repair	2	\$600
Filter Building Exhaust Fan Panel Replacement	4	\$600
Old Trac-vac Filter Intake Removal	2	\$1,200
MCC Concrete Pad Repair	3	\$1,500
Sanitary Sump Pump Service and Maintenance	7	\$3,500
Drywall Repairs	1	\$3,500
Interior Finishes (painting and replacement of base boards)	1	\$4,200
Window Tinting	1	\$2,200
Surface Wash Pump Seal Replacement	5	\$1,000
Back Wash Pump Seals Replacement	6	\$60,000
Actuators Replacement	9	\$70,000
Filter to Waste Line Improvements	8	\$13,000
Filter 2 Sample Pump Repair	7	\$250
Air Blower Actuator Replacement	6	\$2,400
Electrical Panel Replacement	5	\$5,000
Clearwell Drain Improvements	3	\$110,000
Polymer Automation	4	\$15,000
Trac-vac Flow Meter Calibration and Improvement	4	\$3,000
Air Dyer Removal	2	\$600
Instrument Electrical Rail Repair	5	\$1,200
Chemical Feed (chlorine gas & caustic) Relocation	4	\$2,400
Backwash Rate Pump control valve	6	\$24,000
Engineering Support Services		\$35,000
HOWARD BERRY WTP TOTAL		\$746,190
Reservoir Aerators Compressors and Diffusers Repair	7	\$5,000

Item Description	Priority Ranking (1-10)	Estimated Cost
Louisville Reservoir Aerator Expansion	3	\$80,000
Inflow Measurement Device Replacement	6	\$8,400
Raw Flow Meter Replacement	4	\$14,400
Northern Vault Improvements	4	\$5,400
Algae Monitoring System	5	\$120,000
ACH Sump Pump Holding Tank	6	\$8,400
Streaming Current Detector Electrical Panel Replacement	2	\$9,000
Secondary Containment Installation	6	\$30,000
Equipment Storage	1	\$18,000
PLC Cabinet Replacement	3	\$12,000
Roof Repairs	5	\$24,000
Trac-vac Flow Meter Replacement	4	\$18,000
Trac-vac Vault Improvements (improve access and ventilation)	3	\$18,000
Recycle Flow Meter Replacement	5	\$18,000
Recycle Vault Improvements (improve access and ventilation)	3	\$18,000
SCD Vault Improvements (improve access and ventilation)	3	\$18,000
Raw Vault Low Flow Controls Calibration	7	\$3,500
Lighting Improvements	4	\$500
Rapid Mixer Propellers and Shafts Replacement	8	\$5,000
Demo and Replace Surrounding Concrete (sidewalks)	3	\$36,000
Rapid Mixer Electrical Panel Replacement	5	\$1,500
Broken Conduit Repair	4	\$600
Raw Vault Improvements (improve access and ventilation)	3	\$18,000
Flocculators Electrical Panel Replacement	5	\$12,000
Sed Basin Level Transmitters (2) Replacement	6	\$9,000
Transformer Maintenance	9	\$6,000
Demo and Replace Surrounding Concrete (sidewalks)	3	\$6,000
Backup Generator Evaluation/Upgrade	8	\$35,000
PVC Pipping Repair	5	\$1,000
Demo and Replace Surrounding Concrete (sidewalks)	3	\$6,000
Epoxy Paint Floor	2	\$3,600
Lighting Improvements	2	\$1,200
Equipment storage (ladder hangers)	1	\$500
Lighting Improvements	2	\$1,200
Chemical Flow Adjustment Valve Replacement	3	\$240
Sodium Chlorite Level Sensor SCADA Tie-In	4	\$3,500
Secondary Containment for Chemical Tanks	6	\$30,000
Silicate Tank Replacement	6	\$30,000
Chlorine Detector	5	\$3,600
Relocate Network Switch	4	\$2,400
Automate Polymer Mixing	3	\$15,000
Filter Flow Meter Calibrations	3	\$2,400
#2 Filter Backwash Valve Calibration	3	\$2,400
Pre-Inline Chlorine Probe Installation	4	\$18,000

Item Description	Priority Ranking (1-10)	Estimated Cost
Filter To Waste Valve/Flow Meter Automation	4	\$12,000
Link Seals Replacement	4	\$12,000
Backwash Turbidity SCADA Conductivity	4	\$2,400
Epoxy and Seal Walls	2	\$6,000
VFD Electrical Panel Replacement	5	\$3,000
Recycle Tank Level Sensor Replacement	5	\$4,200
Lighting Improvements	2	\$1,200
Vault Improvements (improve access and ventilation)	3	\$18,000
Level Transmitter Replacement	5	\$4,200
Tank Outflow Vault Replacement	3	\$12,000
Electrical Conduit Repair and Replacement	5	\$6,000
Low Zone Vault Improvements (improve access and ventilation)	3	\$18,000
Perimeter Fence Repair	3	\$5,000
Engineering Support Services		\$40,000
SID COPELAND WTP TOTAL		\$822,740

2-Year Plan

Item Description	Priority Ranking (1-10)	Estimated Cost (2017)	Estimated Cost (2018)
Trac-vac Repair	10	\$9,600	
New Raw Access Shed	1		\$12,000
Seal and Repair Concrete	3		\$12,000
Cherry Street Pipeline valve (CCGC) Replacement	8	\$80,000	
Parking Lot Crack Seal and Patching	2		\$30,000
New Raw Water Bypass Valve	7	\$15,000	
Lighting Improvements	1		\$6,000
Meter Testing / Calibration	6	\$2,000	
Demo and Replace Surrounding Concrete (sidewalks)	3		\$27,000
Soda Ash Feeder Removal	3		\$5,000
Permanganate Feeder and Equipment Removal	3		\$5,000
Chemical Feed Electrical Boxes Removal	3		\$3,000
PH Meter Replacement	7	\$8,000	
SCD Meter Replacement	7	\$8,000	
Chemical Building Programmable Logic Controller (PLC) Removal	2		\$14,000
Obsolete Exterior Fire Alarm Removal	1		\$1,200
DIOXIDE Lighting Replacement	2		\$500
Exterior Painting	3		\$3,500
Demo and Replace Surrounding Concrete (sidewalks and stairs)	3		\$6,000
Flocculator Replacement	9	\$120,000	
New Utility Sink	1	\$240	
Lighting Improvements	3		\$18,000
VFD Electrical Panel Repair	2		\$600
Filter Building Exhaust Fan Panel Replacement	4		\$600
Old Trac-vac Filter Intake Removal	2		\$1,200
MCC Concrete Pad Repair	3		\$1,500
Sanitary Sump Pump Service and Maintenance	7	\$3,500	
Drywall Repairs	1		\$3,500
Interior Finishes (painting and replacement of base boards)	1		\$4,200
Window Tinting	1		\$2,200
Surface Wash Pump Seal Replacement	5	\$1,000	
Back Wash Pump Seals Replacement	6	\$60,000	
Actuators Replacement	9	\$70,000	
Filter to Waste Line Improvements	8	\$13,000	
Filter 2 Sample Pump Repair	7	\$250	
Air Blower Actuator Replacement	6	\$2,400	
Electrical Panel Replacement	5	\$5,000	
Clearwell Drain Improvements	3		\$110,000
Polymer Automation	4		\$15,000
Trac-vac Flow Meter Calibration and Improvement	4	\$3,000	
Air Dyer Removal	2		\$600
Instrument Electrical Rail Repair	5	\$1,200	

Item Description	Priority Ranking (1-10)	Estimated Cost (2017)	Estimated Cost (2018)
Chemical Feed (chlorine gas & caustic) Relocation	4		\$2,400
Backwash Rate Pump control valve	6	\$24,000	
Engineering Support Services		\$35,000	
HOWARD BERRY WTP TOTAL		\$461,190	\$285,000
Louisville Reservoir Aerators Compressors and Diffusers Repair	7	\$5,000	
Louisville Reservoir Aerator Expansion	3		\$80,000
Inflow Measurement Device Replacement	6	\$8,400	
Raw Flow Meter Replacement	4		\$14,400
Northern Vault Improvements	4		\$5,400
Algae Monitoring System	5	\$120,000	
ACH Sump Pump Holding Tank	6	\$8,400	
Streaming Current Detector Electrical Panel Replacement	2		\$9,000
Secondary Containment Installation	6	\$30,000	
Equipment Storage	1		\$18,000
PLC Cabinet Replacement	3		\$12,000
Roof Repairs	5	\$24,000	
Trac-vac Flow Meter Replacement	4		\$18,000
Trac-vac Vault Improvements (improve access and ventilation)	3		\$18,000
Recycle Flow Meter Replacement	5	\$18,000	
Recycle Vault Improvements (improve access and ventilation)	3		\$18,000
SCD Vault Improvements (improve access and ventilation)	3		\$18,000
Raw Vault Low Flow Controls Calibration	7	\$3,500	
Lighting Improvements	4	\$500	
Rapid Mixer Propellers and Shafts Replacement	8	\$5,000	
Demo and Replace Surrounding Concrete (sidewalks)	3		\$36,000
Rapid Mixer Electrical Panel Replacement	5	\$1,500	
Broken Conduit Repair	4		\$600
Raw Vault Improvements (improve access and ventilation)	3		\$18,000
Flocculators Electrical Panel Replacement	5	\$12,000	
Sed Basin Level Transmitters (2) Replacement	6	\$9,000	
Transformer Maintenance	9	\$6,000	
Demo and Replace Surrounding Concrete (sidewalks)	3		\$6,000
Backup Generator Evaluation/Upgrade	8	\$35,000	
PVC Pipping Repair	5	\$1,000	
Demo and Replace Surrounding Concrete (sidewalks)	3		\$6,000
Epoxy Paint Floor	2		\$3,600
Lighting Improvements	2		\$1,200
Equipment storage (ladder hangers)	1	\$500	
Lighting Improvements	2		\$1,200
Chemical Flow Adjustment Valve Replacement	3		\$240
Sodium Chlorite Level Sensor SCADA Tie-In	4	\$3,500	
Secondary Containment for Chemical Tanks	6	\$30,000	
Silicate Tank Replacement	6	\$30,000	

Item Description	Priority Ranking (1-10)	Estimated Cost (2017)	Estimated Cost (2018)
Chlorine Detector	5	\$3,600	
Relocate Network Switch	4	\$2,400	
Automate Polymer Mixing	3		\$15,000
Filter Flow Meter Calibrations	3		\$2,400
#2 Filter Backwash Valve Calibration	3		\$2,400
Pre-Inline Chlorine Probe Installation	4		\$18,000
Filter To Waste Valve/Flow Meter Automation	4		\$12,000
Link Seals Replacement	4		\$12,000
Backwash Turbidity SCADA Conductivity	4		\$2,400
Epoxy and Seal Walls	2	\$6,000	
VFD Electrical Panel Replacement	5	\$3,000	
Recycle Tank Level Sensor Replacement	5	\$4,200	
Lighting Improvements	2		\$1,200
Vault Improvements (improve access and ventilation)	3		\$18,000
Level Transmitter Replacement	5	\$4,200	
Tank Outflow Vault Replacement	3		\$12,000
Electrical Conduit Repair and Replacement	5	\$6,000	
Low Zone Vault Improvements (improve access and ventilation)	3		\$18,000
Perimeter Fence Repair	3		\$5,000
Engineering Support Services		\$40,000	
SID COPELAND WTP TOTAL		\$420,700	\$402,040

3-Year Plan

Item Description	Priority Ranking (1-10)	Estimated Cost (2017)	Estimated Cost (2018)	Estimated Cost (2019)
Trac-vac Repair	10	\$9,600		
New Raw Access Shed	1			\$12,000
Seal and Repair Concrete	3			\$12,000
Cherry Street Pipeline valve (CCGC) Replacement	8	\$80,000		
Parking Lot Crack Seal and Patching	2			\$30,000
New Raw Water Bypass Valve	7	\$15,000		
Lighting Improvements	1			\$6,000
Meter Testing / Calibration	6		\$2,000	
Demo and Replace Surrounding Concrete (sidewalks)	3			\$27,000
Soda Ash Feeder Removal	3			\$5,000
Permanganate Feeder and Equipment Removal	3			\$5,000
Chemical Feed Electrical Boxes Removal	3			\$3,000
PH Meter Replacement	7	\$8,000		
SCD Meter Replacement	7	\$8,000		
Chemical Building Programmable Logic Controller (PLC) Removal	2			\$14,000
Obsolete Exterior Fire Alarm Removal	1			\$1,200
DIOXIDE Lighting Replacement	2			\$500
Exterior Painting	3			\$3,500
Demo and Replace Surrounding Concrete (sidewalks and stairs)	3			\$6,000
Flocculator Replacement	9	\$120,000		
New Utility Sink	1	\$240		
Lighting Improvements	3			\$18,000
VFD Electrical Panel Repair	2			\$600
Filter Building Exhaust Fan Panel Replacement	4		\$600	
Old Trac-vac Filter Intake Removal	2			\$1,200
MCC Concrete Pad Repair	3			\$1,500
Sanitary Sump Pump Service and Maintenance	7	\$3,500		
Drywall Repairs	1			\$3,500
Interior Finishes (painting and replacement of base boards)	1			\$4,200
Window Tinting	1			\$2,200
Surface Wash Pump Seal Replacement	5	\$1,000		
Back Wash Pump Seals Replacement	6	\$60,000		
Actuators Replacement	9	\$70,000		
Filter to Waste Line Improvements	8	\$13,000		
Filter 2 Sample Pump Repair	7	\$250		
Air Blower Actuator Replacement	6		\$2,400	
Electrical Panel Replacement	5		\$5,000	
Clearwell Drain Improvements	3			\$110,000
Polymer Automation	4		\$15,000	
Trac-vac Flow Meter Calibration and Improvement	4	\$3,000		
Air Dyer Removal	2			\$600

Item Description	Priority Ranking (1-10)	Estimated Cost (2017)	Estimated Cost (2018)	Estimated Cost (2019)
Instrument Electrical Rail Repair	5		\$1,200	
Chemical Feed (chlorine gas & caustic) Relocation	4		\$2,400	
Backwash Rate Pump control valve	6		\$24,000	
Engineering Support Services		\$35,000		
HOWARD BERRY WTP TOTAL		\$426,590	\$52,600	\$267,000
Louisville Reservoir Aerators Compressors and Diffusers Repair	7	\$5,000		
Louisville Reservoir Aerator Expansion	3			\$80,000
Inflow Measurement Device Replacement	6	\$8,400		
Raw Flow Meter Replacement	4		\$14,400	
Northern Vault Improvements	4		\$5,400	
Algae Monitoring System	5		\$120,000	
ACH Sump Pump Holding Tank	6	\$8,400		
Streaming Current Detector Electrical Panel Replacement	2			\$9,000
Secondary Containment Installation	6	\$30,000		
Equipment Storage	1			\$18,000
PLC Cabinet Replacement	3			\$12,000
Roof Repairs	5	\$24,000		
Trac-vac Flow Meter Replacement	4		\$18,000	
Trac-vac Vault Improvements (improve access and ventilation)	3			\$18,000
Recycle Flow Meter Replacement	5		\$18,000	
Recycle Vault Improvements (improve access and ventilation)	3			\$18,000
SCD Vault Improvements (improve access and ventilation)	3			\$18,000
Raw Vault Low Flow Controls Calibration	7	\$3,500		
Lighting Improvements	4	\$500		
Rapid Mixer Propellers and Shafts Replacement	8	\$5,000		
Demo and Replace Surrounding Concrete (sidewalks)	3			\$36,000
Rapid Mixer Electrical Panel Replacement	5		\$1,500	
Broken Conduit Repair	4		\$600	
Raw Vault Improvements (improve access and ventilation)	3			\$18,000
Flocculators Electrical Panel Replacement	5		\$12,000	
Sed Basin Level Transmitters (2) Replacement	6		\$9,000	
Transformer Maintenance	9	\$6,000		
Demo and Replace Surrounding Concrete (sidewalks)	3			\$6,000
Backup Generator Evaluation/Upgrade	8	\$35,000		
PVC Pipping Repair	5	\$1,000		
Demo and Replace Surrounding Concrete (sidewalks)	3			\$6,000
Epoxy Paint Floor	2			\$3,600
Lighting Improvements	2			\$1,200
Equipment storage (ladder hangers)	1	\$500		
Lighting Improvements	2			\$1,200

Item Description	Priority Ranking (1-10)	Estimated Cost (2017)	Estimated Cost (2018)	Estimated Cost (2019)
Chemical Flow Adjustment Valve Replacement	3			\$240
Sodium Chlorite Level Sensor SCADA Tie-In	4	\$3,500		
Secondary Containment for Chemical Tanks	6	\$30,000		
Silicate Tank Replacement	6	\$30,000		
Chlorine Detector	5		\$3,600	
Relocate Network Switch	4	\$2,400		
Automate Polymer Mixing	3			\$15,000
Filter Flow Meter Calibrations	3			\$2,400
#2 Filter Backwash Valve Calibration	3			\$2,400
Pre-Inline Chlorine Probe Installation	4		\$18,000	
Filter To Waste Valve/Flow Meter Automation	4		\$12,000	
Link Seals Replacement	4		\$12,000	
Backwash Turbidity SCADA Conductivity	4		\$2,400	
Epoxy and Seal Walls	2	\$6,000		
VFD Electrical Panel Replacement	5		\$3,000	
Recycle Tank Level Sensor Replacement	5		\$4,200	
Lighting Improvements	2			\$1,200
Vault Improvements (improve access and ventilation)	3			\$18,000
Level Transmitter Replacement	5		\$4,200	
Tank Outflow Vault Replacement	3			\$12,000
Electrical Conduit Repair and Replacement	5		\$6,000	
Low Zone Vault Improvements (improve access and ventilation)	3			\$18,000
Perimeter Fence Repair	3			\$5,000
Engineering Support Services		\$40,000		
SID COPELAND WTP TOTAL		\$239,200	\$264,300	\$319,240

**SUBJECT: CIP BUDGET TO ACTUAL FOR PERIOD ENDING JUNE 30,
2017**

DATE: JULY 21, 2017

PRESENTED BY: GRAHAM CLARK, FINANCE

SUMMARY:

The accompanying report is for the six months (50.0%) ending June 30th, 2017. The 2017 budget numbers reflect the original 2017 budget and the budget amendment that was passed in June 2017.

The attached report has a line item for each project. Each line item has the project name, current budget, amount spent year-to-date, and percent complete. This report also has a column indicating if the budgeted item was a carryforward of a previous budget, 2017 original budget, or amended in 2017.

Each project was discussed with each project manager. The project status was given by the project manager and is in the 'Notes' column.

City of Louisville - Budget versus Actual CIP YTD 2017							
Account number	Description	Budget 2017	YTD Balance 2017	Complete %	Carry-Forward, Original, or Amended	2017 Estimate	Notes updated Quarterly (Last updated 6/30/17)
GENERAL FUND							
101171-650000	Office Furniture and Fixtures	\$6,000	\$0	0.0%	Original	\$6.5K	40% complete, remaining furniture to be delivered in August
OPEN SPACE AND PARKS FUND TOTAL		\$6,000	\$0	0.0%		\$6.5K	
OPEN SPACE AND PARKS FUND							
201755-610008	Open Space Acquisition	\$2,125,000	\$0	0.0%	Amended \$2.1M	\$2.125M	Negotiations on-going
201522-630004	Lastoka Property Conservation	\$12,500	\$0	0.0%	Original	\$12K	Waiting on Boulder County-Suspended
201522-630093	Hecla Lake Reservoir Improvs	\$19,155	\$0	0.0%	Carry-Forward \$19K (2015)	\$8K	Complete
201313-630101	Irrig Replacements & Improvs	\$20,000	\$7,077	35.4%	Original	\$15K	Purchased irrigation clocks to be installed after irrigation season
201511-630101	Irrig Replacements & Improvs	\$30,000	\$26,622	88.7%	Original	\$25K	Purchased irrigation clocks to be installed after irrigation season
201523-630117	Interpretive Education	\$3,600	\$0	0.0%	Original	\$3K	To be completed in the Fall, maybe a small amount this Summer for a temporary sign
201511-630127	Miner's Field Park Improvs	\$35,000	\$0	0.0%	Amended \$35K	\$35K	Sidewalk to be completed in July, fencing and landscaping in October
201524-640000	Motor Vehicle/Road Equipment	\$32,000	\$0	0.0%	Original	\$30K	Purchased (in-transit)
201313-640001	Machinery & Equipment	\$7,934	\$0	0.0%	Amended \$434	\$8K	Park equipment to be purchased in October after mowing season is complete
201314-640001	Machinery & Equipment	\$7,934	\$0	0.0%	Amended \$434	\$8K	Park equipment to be purchased in October after mowing season is complete
201511-640001	Machinery & Equipment	\$55,579	\$3,747	6.7%	Amended \$10K	\$50K	Park equipment to be purchased in October after mowing season is complete
201522-640001	Machinery & Equipment	\$6,000	\$0	0.0%	Original	\$6K	Park equipment to be purchased in October after mowing season is complete
201524-640001	Machinery & Equipment	\$6,000	\$0	0.0%	Original	\$6K	Park equipment to be purchased in October after mowing season is complete
201528-660067	Hwy 42 Multi-use Underpass	\$300,000	\$0	0.0%	Original	\$300K	Survey is complete, consultant has started design
201528-660069	BNSF RR Underpass/N Drainage	\$92,500	\$0	0.0%	Original	\$93K	Urban Drainage to do this project and we supply partial funding. We give funding in 2018 also with construction beginning in 2019
201523-660093	Trail Connections	\$63,823	\$0	0.0%	Original	\$0	See comment below
201528-660093	Trail Connections	\$255,293	\$0	0.0%	Original	\$18K	Have retained the services of Loris & Associates to provide plans and specifications for trail connections. It is anticipated that a contract for construction will be awarded in 2017
201528-660201	Trail Projects	\$207,992	\$0	0.0%	Original	\$0	Design 2017, construction 2018 will require review and approval from CDOT and/or IGA's and implementation of small area plan recommendations
201528-660224	Kestral Trail Connection	\$62,500	\$0	0.0%	Carry-Forward \$63K	\$60K	Developer has this scheduled for Sept. and then we will reimburse them
OPEN SPACE AND PARKS FUND TOTAL		\$3,342,810	\$37,445	1.1%		\$2.8M	
CT-LOTTERY FUND							
202511-620003	Restroom Improvement Program	\$0	\$162	0.0%	Original		
202511-620004	Recreation Campus Restroom	\$205,000	\$500	0.2%	Carry-Forward \$153K (2015), Amended \$52K	\$205K	Unit ordered, pending Planning Department approval.
202511-630048	Playgrounds	\$280,000	\$0	0.0%	Original	\$280K	Recommendation to replace Herriage Park playground going before City Council for formal consideration on 7/18/17
202511-630078	Tennis Court Resurfacing	\$11,040	\$0	0.0%	Carry-Forward \$11K	\$4K	To be completed in July
202511-630118	Tennis Court Renovation	\$29,960	\$17,500	58.4%	Carry-Forward \$30K	\$30K	Complete
202531-630118	Tennis Court Renovation	\$6,420	\$3,750	58.4%	Carry-Forward \$6K	\$6K	Complete
202532-630118	Tennis Court Renovation	\$6,420	\$3,750	58.4%	Carry-Forward \$6K	\$6K	Complete
202511-630122	Improvements at Community Dog Park	\$10,000	\$0	0.0%	Original	\$10K	Not started
CT-LOTTERY FUND TOTAL		\$548,840	\$25,662	4.7%		\$541K	
CEMETERY FUND							
204799-630087	General Cemetery Improvements	\$12,210	\$10,540	86.3%	Carry-Forward \$12K	\$10.5K	Complete
204799-640001	Machinery & Equipment	\$7,500	\$0	0.0%	Original	\$5K	Cemetery equipment to be purchased in October after mowing season is complete
CEMETERY FUND TOTAL		\$19,710	\$10,540	53.5%		\$15.5K	
HISTORICAL PRESERVATION							
207542-620097	Historical Museum Campus	\$1,000	\$1	0.1%	Original	\$1K	Complete
207542-620098	Austin Niehoff House Rehab	\$45,000	\$0	0.0%	Original	\$15K	Design in late 2017 work in 2018, involves foundation issues could be
207542-630123	Historic Interpretive Signs	\$25,000	\$0	0.0%	Original	\$25K	25% Complete, going to bid this Summer with install for Fall 2017
HISTORICAL FUND TOTAL		\$71,000	\$1	0.0%		\$41K	
CAPITAL PROJECTS FUND							
301553-620010	Steinbaugh Pavilion Improvs	\$10,500	\$0	0.0%	Original	\$10K	Fall completion
301553-620084	ADA Accessibility- Arts Center	\$18,552	\$18,552	100.0%	Carry-Forward \$4K, Amended \$14K	\$18K	Complete
301553-620091	Ctr for the Arts - ADA & Stor	\$32,676	\$32,676	100.0%	Carry-Forward \$30K, Amended \$3K	\$33K	Complete
301173-620092	Surv Upgrades for City Hall	\$30,000	\$30,000	100.0%	Carry-Forward \$30K	\$30K	Complete

Account number	Description	Budget 2017	YTD Balance 2017	Complete %	Carry-Forward, Original, or Amended	2017 Estimate	Notes updated Quarterly (Last updated 6/30/17)
301211-620093	Camera System - Police&Courts	\$7,500	\$0	0.0%	Carry-Forward \$7.5K	\$7.5K	Consulting with current camera vendor in July for estimate/final decision as to scope. Expected completion is end of third quarter 2017
301216-620093	Camera System - Police&Courts	\$7,500	\$0	0.0%	Carry-Forward \$7.5K	\$7.5K	Consulting with current camera vendor in July for estimate/final decision as to scope. Expected completion is end of third quarter 2017
301552-620097	Historical Museum Campus	\$49,000	\$72	0.1%	Original	\$49K	Design in process, decisions to be made at upcoming July 25 study session
301165-620098	Austin Niehoff House Rehab	\$30,000	\$0	0.0%	Original	\$0	Design in late 2017 work in 2018, involves foundation issues could be
301553-620099	Exterior Lighting-Arts Center	\$15,500	\$0	0.0%	Original	\$15K	Part of Rec Center/Memory Square to begin in September
301551-620100	Library Building Automation	\$100,000	\$0	0.0%	Original	\$110K	Completion expected to be 3rd Quarter
301552-620101	Jacoe Store Heating and Coolin	\$25,000	\$0	0.0%	Original	\$25K	To be purchased and installed in Fall 2017
301539-620104	Rec Center Design	\$218,320	\$218,314	100.0%	Amended \$218K	\$218K	Complete
301539-620105	Rec Center Construction Mgmt	\$98,630	\$98,625	100.0%	Amended \$99K	\$99K	Complete
301539-620106	Rec Center Construction	\$4,280	\$4,277	99.9%	Amended \$4K	\$4.2K	Complete
301312-630120	Bus then Bike Shelter	\$25,000	\$0	0.0%	Amended \$25K	\$25K	Boulder County is handling installation with the City reimbursing. It will go out to bid in the next month or two and construction is slated for later this
301312-640000	Motor Vehicle/Road Equipment	\$31,350	\$0	0.0%	Amended \$31K	\$30K	Purchased (in-transit)
301211-640024	LTE D-Block Radio Program	\$15,000	\$3,346	22.3%	Original	\$15K	25% Complete, more ordering through Summer to be complete by Q3
301211-640026	Handheld Portable Radio Replac	\$45,730	\$0	0.0%	Original	\$45K	To begin ordering radios first week of July, and have project completed by third quarter of 2017
301532-640046	Fitness Equipment	\$70,000	\$0	0.0%	Original	\$70K	Not yet started. Rec Center to begin the process of ordering in the Fall with completion by end of year
301211-640106	Body Cams	\$45,000	\$0	0.0%	Carry-Forward \$45K	\$25K	25% Complete, more ordering through Summer to be complete by Q3
301535-640109	Rec Center - Lap Line Replace	\$0	\$167	0.0%			No budget
301212-650000	Office Furniture and Fixtures	\$0	\$157	0.0%			No budget
301211-640114	FM Radio Stations	\$15,000	\$16,704	111.4%	Original	\$16.7K	Complete
301211-640115	Hazardous Waste Stg Container	\$5,000	\$0	0.0%	Original	\$5K	Police to reach a decision in July. Expect to have this project implemented by the end of the year and expect to spend the full amount. There are some Planning and Zoning issues to consider in terms of placement at the PD
301191-640118	City Hall Security Improvement	\$19,000	\$0	0.0%	Amended \$19K	\$19K	Contract preparation complete, installation to begin in August
301211-650000	Office Furniture and Fixtures	\$5,000	\$2,984	59.7%	Carry-Forward \$5K	\$3K	Complete
301211-650027	Toughbook, Pntrs, Dockng Stns	\$8,000	\$0	0.0%	Carry-Forward \$8K (2015)	\$8K	4 laptops, have not started project yet
301173-650035	ERP System	\$184,863	\$19,530	10.6%	Carry-Forward \$138K	\$185K	80% Complete
301312-650038	Lucity Software	\$28,876	\$11,770	40.8%	Amended \$29K	\$28K	Will roll-over to be completed in 2018
301173-650044	Desktop Prod Software Suite	\$44,900	\$13,510	30.1%	Carry-Forward \$45K	\$45K	Microsoft upgrade to be completed by September, in the process of ordering
301551-650075	Library Furniture	\$6,050	\$0	0.0%	Carry-Forward \$6K	\$6K	Design work complete, currently testing furniture in house with ordering in the Fall
301551-650083	Comprise/SAM Server Upgrade	\$10,000	\$9,714	97.1%	Original	\$10K	90% complete at the end of June, to be completed by mid July
301551-650084	Card Access for Library Doors	\$33,000	\$1,780	5.4%	Original	\$33K	Installation to begin in August
301551-650085	Digitize Louisville Times	\$87,800	\$72,862	83.0%	Original	\$80K	Several stage process, we have provided all documents. 35% complete at this time
301551-650086	Early Literacy Center	\$10,000	\$0	0.0%	Original	\$10K	Design work complete, currently testing furniture in house with ordering in the Fall
301552-650087	Makerspace Improvements	\$15,000	\$0	0.0%	Original	\$15K	Not started but to be completed by year end
301551-650088	Library Tween Space	\$2,500	\$0	0.0%	Original	2.5K	Design work complete
301211-650089	Police/Courts Records Mgmt Sys	\$300,000	\$0	0.0%	Original	\$285K	Working w/ existing vendor (Motorola) to upgrade RMS. Product demo scheduled for late July
301173-650090	Rec Center-Copier Replacement	\$10,000	\$0	0.0%	Original	\$10K	Complete
301173-650091	Rec Center-RecTrack SW Upgrade	\$15,000	\$0	0.0%	Original	\$0	Project to be delayed until 2019
301173-650093	IT Room UPS Upgrade	\$8,000	\$3,206	40.1%	Original	\$3.2K	Complete
301161-660005	Wayfinding	\$69,850	\$0	0.0%	Carry-Forward \$70K (2012)	\$70K	Have retained the services of Loris & Associates to provide plans and specifications for trail connections. It is anticipated that a contract for construction will be awarded in 2017
301161-660006	Wayfind-McCaslin & Centenn Val	\$70,000	\$365	0.5%	Carry-Forward \$70K (2013)	\$70K	See above
301651-660008	Downtown Pkg/Transit Project	\$0	\$6,023	0.0%	Original	\$6K	No budget
301312-660012	Pavement Booster Program	\$1,300,000	\$90,580	7.0%	Original	\$1.3M	Under Construction
301312-660022	Concrete Replacement	\$75,000	\$30,212	40.3%	Original	\$70K	90% Complete, August completion
301312-660026	Street Reconstruction	\$2,200,000	\$265,946	12.1%	Original	\$2.2M	Under Construction
301312-660066	Bridge Reconstruction Projects	\$0	\$40	0.0%	Original		No budget
301312-660068	South Street Underpass	\$899,330	\$193,168	21.5%	Carry-Forward \$739 (2014), Amended \$160K	\$900K	August/Sept. to be substantially complete
301528-660068	South Street Underpass	\$899,330	\$193,168	21.5%	Carry-Forward \$739 (2014), Amended \$160K	\$900K	August/Sept. to be substantially complete
301528-660069	BNSF RR Underpass/N Drainage	\$34,225	\$0	0.0%	Amended \$34K (from 2018)	\$34K	Urban Drainage to do this project and we supply partial funding. We give funding in 2018 also with construction for UD beginning in 2019
301312-660074	Traffic Signals	\$73,000	\$0	0.0%	Amended \$73K (hit and run \$20K)	\$70K	\$73K Project planning has just started
301312-660079	SH 42 Short Crossing Improvs	\$287,406	\$45,933	16.0%	Carry-Forward \$279 (2014), Amended \$64K	\$287.4K	In design

Account number	Description	Budget 2017	YTD Balance 2017	Complete %	Carry-Forward, Original, or Amended	2017 Estimate	Notes updated Quarterly (Last updated 6/30/17)
301311-660202	Railroad Quiet Zones	\$472,420	\$42,441	9.0%	Carry-Forward \$274, Amended \$14K	\$300K	In design
301312-660222	SH42 Corridor Improvements	\$1,495,110	\$0	0.0%	Carry-Forward \$1.5M	\$0	Bidding in late Fall and will roll-over to 2018
301312-660226	Downtown Clay/Concrete Paver	\$110,000	\$0	0.0%	Original	\$110K	20% Complete, just started project in June
301311-660239	SBR Connectivity Feasibility S	\$50,000	\$3,000	6.0%	Original	\$60K	Currently preparing RFP bid process
301161-660241	Bike Share Program	\$10,000	\$0	0.0%	Amended \$10K	\$10K	Preparing an IGA with Commuting Solutions and other jurisdictions
301312-660242	Campus Drive Alignment Study	\$30,000	\$0	0.0%	Amended \$30K	\$30K	Superior to do this project and IGA being signed soon, we will reimburse Superior
	CAPITAL PROJECTS FUND TOTAL	\$9,763,198	\$1,429,118	14.6%		\$7.65M	
	REC CENTER EXPANSION						
303120-620104	Rec Center Design	\$1,075,000	\$59,592	5.5%	Amended \$1.1M	\$1.3K	Project has moved into development documents phase
303120-620105	Rec Center Construction Mgmt	\$162,000	\$0	0.0%	Amended \$162K	\$162K	The project has moved from conceptual to schematic and is now in design development moving toward a guaranteed maximum price (GMP) for the project for construction
303120-620106	Rec Center Construction	\$3,732,000	\$0	0.0%	Amended \$3.7M	\$3.732M	Foundation package to City Council in August. GMP in October
	REC CENTER EXPANSION FUND TOTAL	\$4,969,000	\$59,592	1.2%		\$5.194M	
	WATER FUND						
501498-600025	Fire Hydrant Painting	\$18,000	\$0	0.0%	Amended \$18K	\$18K	Currently in the bid process work will begin in September
501498-640000	Motor Vehicle/Road Equipment	\$30,750	\$0	0.0%	Original	\$31K	Complete-payment pending
501499-640112	Harper Lake Stop Logs	\$55,000	\$35,000	63.6%	Carry-Forward \$55K	\$35K	Complete
501499-640116	Water Plants Disinfection Eval	\$102,500	\$26	0.0%	Original	\$100K	In design phase now, to begin in Fall of 2017 and most likely roll into 2018
501499-640117	WTP Instrumentation Upgrades	\$153,750	\$2,486	1.6%	Original	\$150K	Just beginning to be completed in the Fall
501499-650035	ERP System	\$12,615	\$2,923	23.2%	Amended \$6K	\$13K	80% Complete
501499-650038	Lucity Software	\$28,876	\$11,770	40.8%	Amended \$28K	\$29K	Will roll-over to be completed in 2018
501499-650080	Water Facilities SCADA Upgrade	\$250,000	\$52,753	21.1%	Carry-Forward \$198, Amended \$52K	\$250K	10% Complete projected to be complete at the end of 2017 or early 2018
501498-660182	Water Line Replacement	\$4,305,000	\$134,711	3.1%	Original	\$2.5M	25% complete. Staff recognized savings through bidding larger project than typical yearly replacements
501499-660190	NCWCD-Windy Gap Firming Proj	\$350,624	\$0	0.0%	Amended \$75K		Currently in design
501498-660205	PRV Replacement	\$40,000	\$0	0.0%	Amended \$40K	\$40K	To begin in the Fall
501499-660207	SCWTP Pump Station Improvement	\$2,800,000	\$68,039	2.4%	Carry-Forward \$2.4M, Amended \$421K	\$2.24M	Currently bidding, award expected in September
501499-660208	Louisville PL Condition Assess	\$250,000	\$0	0.0%	Carry-Forward \$250K		Currently in design, bidding in August
501499-660209	SCWTP Drying Bed Rehab	\$174,250	\$0	0.0%	Original	\$0	This project has been cancelled
501499-660210	Water Facilities Security Upgr	\$99,920	\$0	0.0%	Carry-Forward \$99K	\$100K	This project starts in July and should take three months to complete
501499-660211	Howard Diversion Upgrades	\$133,997	\$0	0.0%	Amended \$73K	\$0	Boulder City and the State is involved & timelines have lengthened, possible roll-over
501498-660221	HBWTP Filter Media Replacement	\$155,000	\$26	0.0%	Amended \$155K	\$150K	In design phase now, to begin in Fall of 2017 and most likely roll into 2018
501499-660230	HBWTP HVAC Upgrade	\$82,000	\$26	0.0%	Original	\$82K	In design phase now, to begin in Fall of 2017 and most likely roll into 2018
501499-660231	Louisville Lateral Ditch Pipin	\$205,000	\$0	0.0%	Original	\$205K	Bid process is underway with design to begin in August
501499-660232	Cent/McCaslin Hi Zone Water Lp	\$55,000	\$0	0.0%	Original	\$55K	Developer working on this and we will reimburse in August roughly
501499-660233	WTP Caustic Tank Upsizing	\$25,630	\$0	0.0%	Original	\$25K	To be completed at the end of Summer
501498-660234	Tube Settler Replacement	\$589,380	\$26	0.0%	Original	\$442K	In design phase now, to begin in Fall of 2017 and most likely roll into 2018
501499-660243	Louisville Pipeline Flow Contr	\$250,000	\$0	0.0%	Amended \$250K	\$250K	Bid process is underway with design to begin in August
501498-660246	WTP Facility Painting	\$200,000	\$0	0.0%	Amended \$200K	\$200K	Currently bidding. Award expected to take place in July
501498-668018	HBWTP Flash Mixer Replacement	\$174,250	\$82,151	47.1%	Original	\$170K	Bidding Process currently taking place, hoping to begin in September
	WATER FUND TOTAL	\$10,541,542	\$389,937	3.7%		\$7.685M	
	WASTEWATER FUND						
502499-640113	WWTP Laboratory Equipment	\$6,670	\$6,311	94.6%	Original	\$6K	Complete
502499-650035	ERP System	\$12,615	\$2,923	23.2%	Amended \$6K	\$13K	80% Complete
502499-650038	Lucity Software	\$28,876	\$11,770	40.8%	Amended \$28K	\$29K	Will roll-over to be completed in 2018
502499-660153	Wastewater Plant Upgrade	\$7,572,624	\$3,970,505	52.4%	Carry-Forward \$3M	\$7M	Only punch list items to be complete in September
502498-660216	Reuse System Replacement	\$0	\$3,390	0.0%		\$3K	
502498-660183	Sewer Utility Lines	\$2,152,500	\$220	0.0%	Original	\$1.3M	20% complete. Staff recognized savings by completing some of the work using sewer lining and through bidding a larger project than typical yearly replacements
502498-660195	Sewer Main Video	\$25,000	\$0	0.0%	Amended \$25K	\$25K	Project to begin in July. 6-8 week project, should be complete end of Q3
502499-660218	CTC Lift Station Controls	\$20,000	\$0	0.0%	Carry-Forward \$20K	\$20K	Part of the SCADA project, finished by end of 2017 or early 2018
	WASTEWATER FUND TOTAL	\$9,818,285	\$3,995,119	40.7%		\$8.396M	
	STORMWATER FUND						

Account number	Description	Budget 2017	YTD Balance 2017	Complete %	Carry-Forward, Original, or Amended	2017 Estimate	Notes updated Quarterly (Last updated 6/30/17)
503499-630024	North Louisville Drainage	\$157,500	\$0	0.0%	Original	\$155K	IGA written up with Urban Drainage and to Sam to review. To begin in
503499-630030	CCS Drainage	\$250,000	\$0	0.0%	Carry-Forward \$250K (2014)	\$0	Reimbursement of Developer work (Coar Creek Station). Will not begin until 2018
503499-630096	Detention Pond Maintenance	\$112,750	\$558	0.5%	Original	\$110K	To begin in early August and be completed in September. 3-4 week project
503499-640000	Motor Vehicle/Road Equipment	\$26,000	\$0	0.0%	Original	\$28K	Complete-payment pending
503499-640001	Machinery & Equipment	\$18,000	\$0	0.0%	Original	\$18.3K	Complete-payment pending
503499-650038	Lucity Software	\$28,876	\$11,770	40.8%	Amended \$29K	\$29K	Will roll-over to be completed in 2018
503499-660068	(7%)South Street Underpass	\$92,640	\$24,009	25.9%	Carry-Forward \$92K (2014)	\$92K	August/Sept. to be substaintally complete
503499-660238	Goodhue Ditch Storm Wtr Divers	\$16,000	\$0	0.0%	Original	\$16K	Diversion to Hecla to begin in Q4
	STORMWATER FUND TOTAL	\$701,766	\$36,337	5.2%		\$448K	
GOLF COURSE FUND							
520799-620102	Golf Clubhouse Roof Replacemen	\$40,000	\$0	0.0%	Original	\$0	Project will not happen this year
520799-620103	Equipment Storage Building	\$131,900	\$0	0.0%	Original	\$131K	Project suspended-building is in a flood plain-insurance considerations
520799-630126	GC Pavilion Renovation	\$25,000	\$0	0.0%	Amended \$25K	\$25K	To begin in the Fall
520799-650063	Information Technology	\$23,942	\$0	0.0%	Carry-Forward \$24K (2015)	\$20K	Surveillance upgrades to CCGC so that they meet PCI compliance standards for cash handling operations. This is underway and being quoted, to be installed by the end of 2017
	GOLF COURSE FUND TOTAL	\$220,842	\$0	0.0%		\$176K	
	ALL FUNDS TOTAL	\$40,002,993	\$5,983,752	15.0%		\$20.1M	

SUBJECT: ENTERPRISE DASHBOARDS

DATE: JULY 21, 2017

PRESENTED BY: VARIOUS

SUMMARY:

Attached are the Enterprise Dashboards received by the Finance Department since the last Finance Committee Meeting.

Kevin Watson

From: David Baril
Sent: Thursday, July 13, 2017 7:53 AM
To: Joe Stevens; Kevin Watson; Malcolm Fleming
Subject: June golf dashboard with expenses

2017 REVISED Dashboard

	June actual	June budget	YTD actual	YTD Budget
Background information				
Playable Days	30	30	120	121
Total Rounds	4603	4976	13278	14497
Revenue				
Green fees /golf Cart / Range	\$ 188,760	\$ 178,959	\$ 510,361	\$ 530,022
Annual Passes	\$ 7,734	\$ -	\$ 88,063	\$ 90,000
Food & Beverage Sales				\$ 9,093
All other revenue **	\$ 25,089	\$ 34,286	\$ 94,096	\$ 99,926
total revenue	\$ 221,583	\$ 213,245	\$ 692,520	\$ 729,041
total revenue per round	\$ 48.14	\$ 42.85	\$ 52.16	\$ 50.29
Expenditures				
	June Actual	June Budget	YTD Actual	YTD Budget
Course maintenance	57,957	\$ 85,000.0	220,192	\$ 301,000
Golf Operations	102,929	\$ 63,000.0	289,613	\$ 215,000
clubhouse	6,432	\$ 8,000.0	34,776	\$ 44,000
Marketing	10,811	\$ 10,700.0	66,046	\$ 87,500
Total expenditures	<u>178,129</u>	<u>166,700</u>	<u>610,627</u>	<u>647,500</u>
Capital reserves				
Total revenue - total expenditures	43,454	\$ 46,545	81,893	\$ 81,541

** all other revenue (club rental, golf lessons, handicap fees, golf shop sales, pull cart, sweet spot utility reimbursement)

To: Finance Committee

CC: Heather Balsler, Interim City Manager
Kevin Watson, Finance Director

From: Kurt Kowar, P.E., Director of Public Works and Utilities

Date: 7/17/2017

Re: Public Works & Utilities Dashboard Update

The purpose of this communication is to provide background and update on efforts to develop organizational dashboards related to Finance Committee requests.

In November of 2016 Public Works Staff attended a Finance Committee meeting and learned for the first time specifics related to expectations for dashboards that the Committee would like to review on a periodic basis.

The information desired by the Finance Committee exists on various paper invoices, excel spreadsheets, proprietary databases, and cloud servers. Staff expressed concerns that the amount of data collation, data scrubbing, and charting to make presentable for a Committee report would likely add one to two weeks of staff time per iteration. The City Staff periodically reviews many business analytics over the course of the year but there is not a system in place to monitor all business analytics at once on an updated monthly or quarterly basis. Manually putting this information together each time would be unsustainable with existing resources.

To meet the request of the Finance Committee efficiently an automated system to pull information from appropriate data warehouses is required. The City does not have an application or database support staffing. In order to provide an automated system these types of staff are necessary. The Public Works & Utilities Director has a background in software application and database management. Therefore, the current option to meet this stretch goal fell upon the Director.

Staff understands this goal is a priority but it is also difficult to prioritize ahead of City Council, Committees, Personnel, Budget, and Capital Project Management demands. Large blocks of time to complete this work are very infrequent. The nature of application development does not lend itself to be able to be productive with small chunks of available or uninterrupted time.

In December, January, and February effort was put forth to develop a concept or vision of what could be developed. In addition, the Director worked with IT to setup an application and database server to be the central warehouse for serving the ongoing analytics.



After February the City Council work plan and summer busy season has provided limited time to concentrate on the application development. However there has been other significant work being done on the source information from which data will be pulled. Some of these work efforts include:

- Conversion of the Utility Billing System from ADG to IAN – 2017 Q4 Completion
- GoLive for Operations Lucity Work Order System – 2017 Q3/Q4 Completion
- Implementation of WWTP and WTP Work Order and Asset Management to Lucity – 2018 Q4 Completion
- Completion of the new WWTP and associated new SCADA System – 2017 Q3 Completion
- Completion of updating the SCADA System at the WTP's – 2017 Q4 Completion
- WWTP and WTP Lab Instrumentation and Software Update – 2017 Q3/Q4 Completion
- Continued development of the GIS System organization – Ongoing
- Development of a public facing Citizen Request and feedback map system for Lucity – 2017 Q4 GoLive

All of these various portions of technology generate the data that is being requested. This data then needs to be pulled by various API interfaces or multi-vendor SQL queries to consolidate into a business analytics aggregator that can then serve dashboard type tables and charts on demand or through scheduled snapshots.

As these systems come online and workload allows the development of constant digital dashboards versus periodic manual reporting that support Public Works business analytics can be achieved. This effort is still dependent upon the workload of the Public Works & Utilities Director without providing additional staff resources or expending additional funds for outsourced support (which are all options to speed up the process).

If resources are constant, it is anticipated that progress will be able to be made again in Fall of 2017 to early Spring of 2018 during lower periods of workload demand and then again in late Fall of 2018 to early Spring of 2019. The Finance Committee and staff can evaluate the progress of dashboard development and automation in April/May of 2018 and determine if progress has been sufficient.

Public Works Staff will be available at the July 21, 2017 Finance Committee for discussion and direction.



SUBJECT: BUDGET DISCUSSION & QUESTIONS

DATE: JULY 21, 2017

**PRESENTED BY: HEATHER BALSER, ACTING CITY MANAGER
KEVIN WATSON, FINANCE DIRECTOR**

SUMMARY:

On November 15, 2016, the City Council adopted the City's first biennial budget, which covered fiscal years 2017 and 2018. Only the 2017 budget has been legally appropriated. The 2018 budget will be legally appropriated in November 2017.

There have been departmental requests for additions to the 2018 budget. The purpose of this agenda item will be for staff to present an overview of the 2018 budget process and for the Finance Committee to ask questions or request specific processes.

SUBJECT: SALES TAX REPORTS FOR THE MONTH ENDED MAY 31, 2017

DATE: JULY 21, 2017

PRESENTED BY: PENNEY BOLTE, FINANCE DEPARTMENT

SUMMARY:

Attached are the monthly revenue reports for sales tax, lodging tax, auto use tax, consumer use tax, and building use tax for the month ending May 31, 2017. Also included are the monthly reports on sales tax revenue by area and by industry.

Total revenue through May 2017 for the taxes contained on the Revenue History report have increased 8.2% YTD as compared to the period through May 2016.

The month of May 2017 ended with sales tax revenue up 14.3% from May 2016. YTD sales tax revenue for 2017 is presently 9.7% above 2016, and 3.1% above budget.

Sales tax revenue for the top 50 vendors increased 0.7% for the month of May 2017 and YTD revenue is 3.1% above 2016. YTD Gains through May 2017 include the sectors: Home Improvement (7.4%), Grocery (5.2%), and Telecommunications/Utilities (5.4%). Declining sectors through May 2017 include: Hotels (-1.1%), Restaurants (0.8%), and General Merchandise (-4.1%).

Lodging tax revenue for May 2017 increased 1.3% from May 2016. YTD revenue is 1.3% below 2016 and 8.1% below budget.

Auto use tax revenue for May 2017 increased 53% from May 2016. YTD revenue is up 17.4% to 2016 and 11.1% above budget.

Building use tax revenue for May 2017 decreased 67.6% from May 2016. YTD revenue is up 20.1% from 2016 and 17.4% above budget.

Consumer use tax revenue for May 2017 decreased 6.9% from May 2016. YTD revenue is presently 9.4% below 2016 and 16% above current budget.

The **Monthly Revenue by Area** report reflects several variances for the month:

- As noted for previous reports, there continues to be isolated sales by manufacturers in the **CTC**. Due to recent audits conducted by the Tax Department, a change in billing practices may result in ongoing sales tax revenue for this area.

SUBJECT: SALES TAX REPORTS FOR THE MONTH ENDED MAY 31, 2017

DATE: JULY 21, 2017

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- The **McCaslin North** area reflects a 27% decline for the area in May 2017 due to the ongoing adjustment of a previously miscoded vendor, **the decline of revenue for the area is actually 8.7% when compared to May 2016 revenue.**

The **Monthly Revenue by Industry** report also reflects several variances for the month:

- There are continued manufacturer sector sales, noted previously, for the CTC area. This revenue spike is reflected in the **Manufacturing** sector of this month's industry report.

CITY OF LOUISVILLE

**Revenue History
2013 through 2017**

YEAR	MONTH	SALES TAX	CONS. USE TAX	BLDG USE TAX	AUTO USE TAX	LODGING TAX	AUDIT REVENUE	TOTAL
2017	JANUARY	1,052,366	120,516	275,878	144,997	27,069	27,040	1,647,866
	FEBRUARY	864,842	92,210	103,187	110,561	24,240	8,935	1,203,976
	MARCH	1,182,825	127,911	300,687	123,024	33,056	48,822	1,816,325
	APRIL	1,044,230	108,870	95,596	92,463	34,743	97,793	1,473,695
	MAY	1,183,115	88,324	76,348	137,918	49,217	20,318	1,555,239
	JUNE	-	-	-	-	-	-	-
	JULY	-	-	-	-	-	-	-
	AUGUST	-	-	-	-	-	-	-
	SEPTEMBER	-	-	-	-	-	-	-
	OCTOBER	-	-	-	-	-	-	-
	NOVEMBER	-	-	-	-	-	-	-
	DECEMBER	-	-	-	-	-	-	-
	YTD TOTALS		5,327,378	537,832	851,695	608,964	168,325	202,907
YTD Variance % to Prior Year		10.0%	-19.5%	20.1%	17.4%	-1.3%	1.4%	8.2%
2016	JANUARY	886,723	222,163	174,842	100,855	25,767	8,203	1,418,554
	FEBRUARY	920,875	109,063	76,430	97,034	28,321	23,180	1,254,904
	MARCH	1,054,128	112,590	159,627	121,325	32,422	21,364	1,501,456
	APRIL	949,906	131,439	62,683	109,192	35,442	122,599	1,411,260
	MAY	1,032,963	93,047	235,856	90,115	48,597	24,809	1,525,386
	JUNE	1,216,853	145,283	510,772	109,738	56,221	8,832	2,047,699
	JULY	1,136,035	65,541	161,699	140,522	61,691	233	1,565,722
	AUGUST	1,050,800	124,102	155,447	112,981	60,005	3,013	1,506,350
	SEPTEMBER	1,153,466	101,636	64,269	115,244	49,801	12,266	1,496,681
	OCTOBER	1,003,857	244,682	305,287	124,471	46,278	3,267	1,727,843
	NOVEMBER	1,005,580	94,546	49,929	95,372	33,551	85,313	1,364,290
	DECEMBER	1,420,942	192,820	44,792	140,458	22,127	118,246	1,939,385
	YTD TOTALS		12,832,129	1,636,914	2,001,634	1,357,306	500,223	431,325
YTD Variance % to Prior Year		7.2%	28.6%	26.3%	-1.1%	7.2%	-6.4%	9.5%
2015	JANUARY	930,279	85,960	65,576	106,340	24,681	10,554	1,223,389
	FEBRUARY	751,446	89,441	35,569	113,225	23,429	64,859	1,077,969
	MARCH	966,850	124,548	136,921	111,521	30,900	52,296	1,423,036
	APRIL	926,082	94,037	93,561	89,588	34,080	72,649	1,309,996
	MAY	931,057	89,679	157,466	93,186	47,601	36,203	1,355,193
	JUNE	1,116,715	136,236	42,484	99,549	51,846	6,755	1,453,585
	JULY	1,026,333	68,703	472,951	107,445	57,071	29,908	1,762,410
	AUGUST	983,178	95,308	214,635	131,001	55,216	61,248	1,540,586
	SEPTEMBER	1,097,796	122,579	98,891	123,913	45,015	42,235	1,530,430
	OCTOBER	948,794	101,783	149,737	123,187	45,615	56,024	1,425,141
	NOVEMBER	933,235	119,106	72,504	131,168	28,694	19,884	1,304,591
	DECEMBER	1,360,790	145,597	45,098	142,083	22,498	8,276	1,724,342
	YTD TOTALS		11,972,557	1,272,978	1,585,392	1,372,205	466,646	460,891
YTD Variance % to Prior Year		7.0%	18.7%	30.0%	11.0%	9.2%	-44.0%	7.3%
2014	JANUARY	798,792	56,727	40,650	141,060	22,487	137,276	1,196,991
	FEBRUARY	708,164	72,199	196,461	83,341	22,789	18,193	1,101,147
	MARCH	891,756	88,634	99,076	98,457	27,659	145,636	1,351,217
	APRIL	990,489	88,362	93,637	117,881	29,651	42,908	1,362,927
	MAY	928,421	59,387	270,829	85,769	41,240	2,776	1,388,422
	JUNE	1,013,900	111,632	102,883	88,813	47,149	29,230	1,393,608
	JULY	866,647	114,724	70,466	79,622	54,076	15,679	1,201,213
	AUGUST	983,356	87,629	46,088	105,531	51,658	156,497	1,430,760
	SEPTEMBER	974,352	99,986	58,752	116,646	41,146	7,841	1,298,723
	OCTOBER	876,022	79,004	57,992	109,404	40,328	51,399	1,214,149
	NOVEMBER	867,460	66,255	157,394	85,387	27,146	212,991	1,416,633
	DECEMBER	1,294,297	147,830	24,949	123,793	21,905	3,019	1,615,792
	YTD TOTALS		11,193,655	1,072,369	1,219,177	1,235,702	427,234	823,445
YTD Variance % to Prior Year		7.5%	13.3%	1.6%	8.9%	12.4%	-5.7%	6.8%
2013	JANUARY	777,242	(29,020)	184,731	86,731	20,848	75,241	1,115,772
	FEBRUARY	669,879	70,363	69,470	80,297	19,921	12,621	922,552
	MARCH	820,313	74,217	263,140	106,476	22,836	29,624	1,316,606
	APRIL	870,965	61,435	78,235	95,575	26,040	13,499	1,145,748
	MAY	918,954	69,690	54,267	83,905	35,636	121,805	1,284,257
	JUNE	895,906	116,514	120,854	68,997	40,725	64,668	1,307,664
	JULY	856,770	44,927	91,461	89,328	46,440	57,571	1,186,497
	AUGUST	821,538	38,974	87,374	124,484	41,990	7,939	1,122,299
	SEPTEMBER	1,017,791	114,209	19,729	90,523	37,157	11,137	1,290,547
	OCTOBER	827,461	53,102	130,501	117,513	42,825	207,939	1,379,340
	NOVEMBER	812,544	70,204	79,635	82,127	26,122	143,923	1,214,555
	DECEMBER	1,125,418	261,530	20,236	108,929	19,492	126,849	1,662,455
	YTD TOTALS		10,414,782	946,144	1,199,631	1,134,885	380,033	872,817
YTD Variance % to Prior Year		6.8%	-7.9%	40.5%	16.4%	3.9%	131.5%	

**City of Louisville, Colorado
Total Sales Tax Revenue
2013 -2017**

Month Of Sale	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Budget	2017 Actual	Mnthly % Of 2016	Y-T-D % Of 2016	Mnthly % Of Budget	Y-T-D % Of Budget
Jan	778,705	800,685	938,911	890,050	995,110	1,054,675	118.5%	118.5%	106.0%	106.0%
Feb	677,256	708,418	808,454	922,502	903,614	866,877	94.0%	106.0%	95.9%	101.2%
Mar	821,853	985,745	979,639	1,055,715	1,113,997	1,189,196	112.6%	108.5%	106.8%	103.3%
Apr	882,437	993,747	968,100	964,682	1,060,743	1,045,769	108.4%	108.4%	98.6%	102.0%
May	943,909	929,994	944,922	1,043,401	1,115,639	1,192,302	114.3%	109.7%	106.9%	103.1%
Jun	950,701	1,015,778	1,120,140	1,218,023	1,229,352		0.0%	87.8%	0.0%	83.3%
Jul	864,327	871,158	1,038,928	1,136,243	1,112,052		0.0%	74.0%	0.0%	71.0%
Aug	828,581	1,096,941	993,159	1,053,719	1,087,180		0.0%	64.6%	0.0%	62.1%
Sep	1,023,383	980,918	1,103,330	1,154,610	1,174,180		0.0%	56.7%	0.0%	54.6%
Oct	828,537	907,968	954,697	1,003,914	1,059,039		0.0%	51.2%	0.0%	49.3%
Nov	817,829	869,528	935,693	1,011,439	1,058,846		0.0%	46.7%	0.0%	44.9%
Dec	1,129,807	1,294,795	1,364,240	1,422,983	1,437,698		0.0%	41.5%	0.0%	40.1%
Totals	10,547,325	11,455,676	12,150,213	12,877,281	13,347,450	5,348,819				
% Of Change	7.4%	8.6%	6.1%	6.0%	3.7%					

**City of Louisville, Colorado
Lodging Tax Revenue
2013 -2017**

Month Of Sale	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Budget	2017 Actual	Mnthly % Of 2016	Y-T-D % Of 2016	Mnthly % Of Budget	Y-T-D % Of Budget
Jan	20,848	22,487	24,681	25,767	30,192	27,069	105.1%	105.1%	89.7%	89.7%
Feb	19,921	22,789	23,429	28,321	29,981	24,240	85.6%	94.9%	80.9%	85.3%
Mar	22,836	27,659	33,963	32,422	34,260	33,056	102.0%	97.5%	96.5%	89.3%
Apr	26,040	29,651	34,080	35,442	36,108	34,743	98.0%	97.7%	96.2%	91.2%
May	35,636	41,240	47,601	48,597	52,570	49,217	101.3%	98.7%	93.6%	91.9%
Jun	40,725	47,149	51,846	56,221	56,659		0.0%	74.2%	0.0%	70.2%
Jul	46,440	54,917	57,071	61,691	61,734		0.0%	58.4%	0.0%	55.8%
Aug	41,990	51,658	55,216	60,005	61,018		0.0%	48.3%	0.0%	46.4%
Sep	37,157	41,146	45,015	49,801	49,221		0.0%	42.3%	0.0%	40.9%
Oct	42,825	40,328	45,615	46,278	49,814		0.0%	37.9%	0.0%	36.5%
Nov	26,122	27,146	28,694	33,551	34,161		0.0%	35.2%	0.0%	34.0%
Dec	19,492	21,905	22,498	22,127	27,063		0.0%	33.6%	0.0%	32.2%
Totals	380,033	428,075	469,709	500,223	522,780	168,325				
% Of Change	3.9%	12.6%	9.7%	6.5%	4.5%					

**City of Louisville, Colorado
Auto Use Tax Revenue
2013 -2017**

Month Of Sale	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Budget	2017 Actual	Mnthly % Of 2016	Y-T-D % Of 2016	Mnthly % Of Budget	Y-T-D % Of Budget
Jan	86,731	141,060	106,340	100,855	113,258	144,997	143.8%	143.8%	128.0%	128.0%
Feb	80,297	83,341	113,225	97,034	107,372	110,561	113.9%	129.1%	103.0%	115.8%
Mar	106,476	98,457	111,521	121,325	118,350	123,024	101.4%	118.6%	103.9%	111.7%
Apr	95,575	117,881	89,588	109,192	106,751	92,463	84.7%	110.0%	86.6%	105.7%
May	83,905	85,769	93,186	90,115	102,420	137,918	153.0%	117.4%	134.7%	111.1%
Jun	68,997	88,813	99,549	109,738	110,976		0.0%	96.9%	0.0%	92.4%
Jul	89,328	79,622	107,445	140,522	114,024		0.0%	79.2%	0.0%	78.8%
Aug	124,484	105,531	131,001	112,981	126,164		0.0%	69.1%	0.0%	67.7%
Sep	90,523	116,646	123,913	115,244	129,283		0.0%	61.1%	0.0%	59.2%
Oct	117,513	109,404	123,187	124,471	131,997		0.0%	54.3%	0.0%	52.5%
Nov	82,127	85,387	131,168	95,372	105,922		0.0%	50.0%	0.0%	48.1%
Dec	108,929	123,793	142,083	140,458	117,924		0.0%	44.9%	0.0%	44.0%
Totals	1,134,885	1,235,702	1,372,205	1,357,306	1,384,440	608,964				
% Of Change	16.4%	8.9%	11.0%	-1.1%	2.0%					

Actual G/L amounts may vary

**City of Louisville, Colorado
Building Use Tax Revenue
2013 -2017**

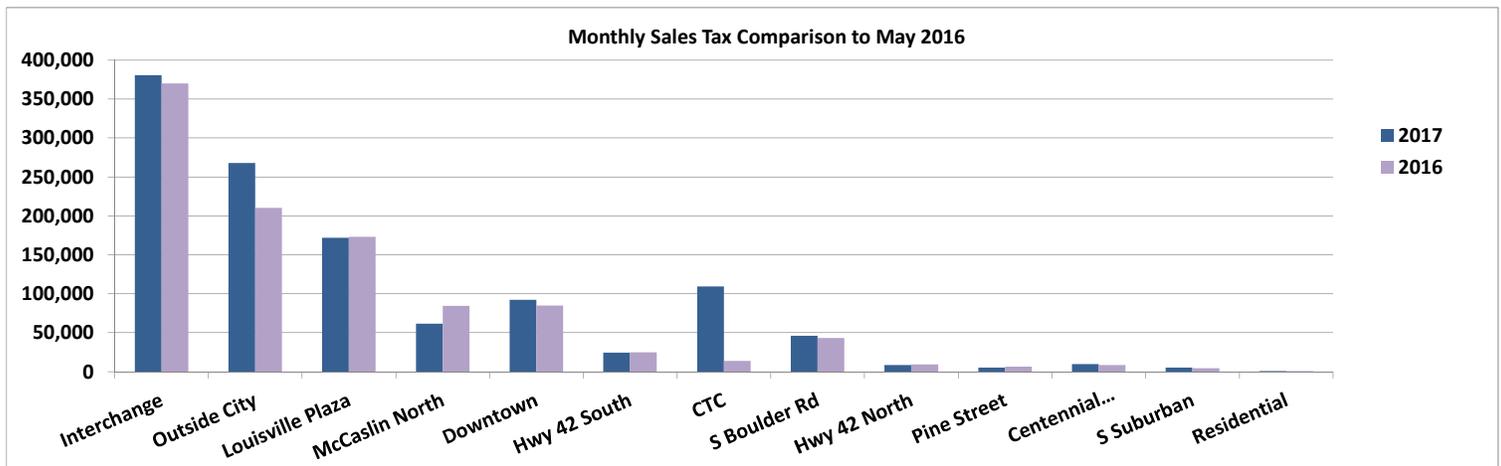
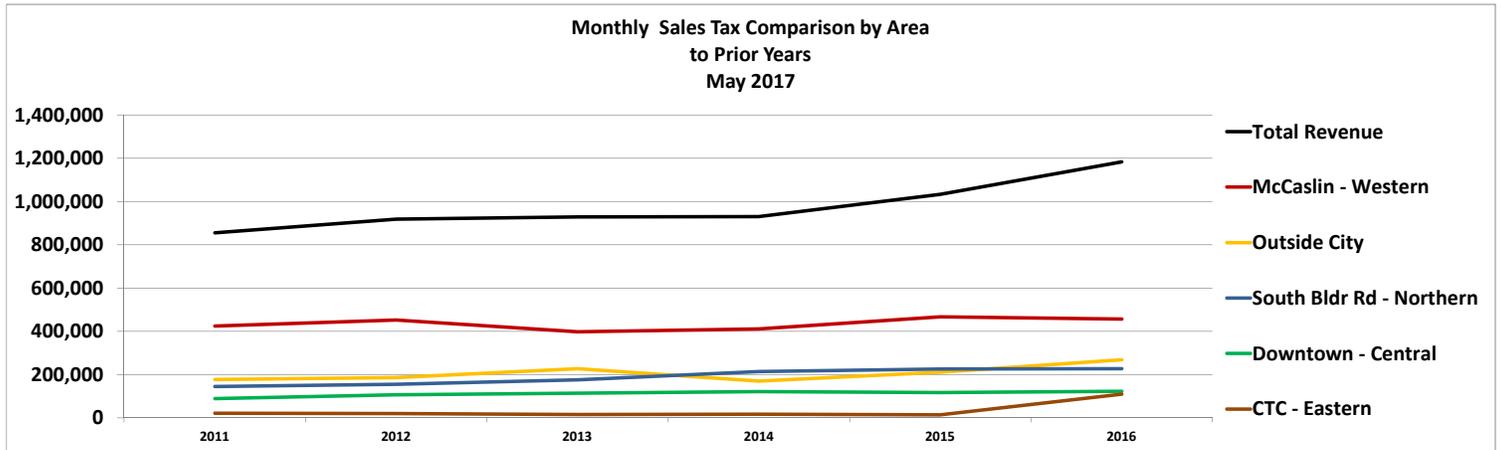
Month Of Sale	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Budget	2017 Actual	Mnthly % Of 2016	Y-T-D % Of 2016	Mnthly % Of Budget	Y-T-D % Of Budget
Jan	184,731	40,650	65,576	174,842	122,833	275,878	157.8%	157.8%	224.6%	224.6%
Feb	69,470	196,461	35,569	76,430	106,253	103,187	135.0%	150.9%	97.1%	165.5%
Mar	263,140	99,076	136,921	159,627	166,155	300,687	188.4%	165.4%	181.0%	172.0%
Apr	78,235	93,637	93,561	62,683	118,945	95,596	152.5%	163.7%	80.4%	150.8%
May	54,267	270,829	157,466	235,856	211,499	76,348	32.4%	120.1%	36.1%	117.4%
Jun	120,854	102,883	42,484	510,772	201,476		0.0%	69.8%	0.0%	91.9%
Jul	91,461	70,466	472,951	161,699	196,243		0.0%	61.6%	0.0%	75.8%
Aug	87,374	46,088	214,635	155,447	162,795		0.0%	55.4%	0.0%	66.2%
Sep	19,729	58,752	98,891	64,269	99,945		0.0%	53.2%	0.0%	61.4%
Oct	130,501	57,992	149,737	305,287	176,808		0.0%	44.7%	0.0%	54.5%
Nov	79,635	157,394	72,504	49,929	106,862		0.0%	43.5%	0.0%	51.0%
Dec	20,236	24,949	45,098	44,792	85,279		0.0%	42.6%	0.0%	48.5%
Totals	1,199,631	1,219,177	1,585,392	2,001,634	1,755,090	851,695				
% Of Change	40.5%	1.6%	30.0%	26.3%	-12.3%					

**City of Louisville, Colorado
Consumer Use Tax Revenue
2013 -2017**

Month Of Sale	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Budget	2017 Actual	Mnthly % Of 2016	Y-T-D % Of 2016	Mnthly % Of Budget	Y-T-D % Of Budget
Jan	37,090	140,825	86,310	226,633	122,622	140,390	61.9%	61.9%	114.5%	114.5%
Feb	74,247	73,497	92,813	126,682	97,528	97,871	77.3%	67.4%	100.4%	108.2%
Mar	85,187	111,992	146,179	129,773	137,068	153,044	117.9%	81.0%	111.7%	109.5%
Apr	61,435	122,627	94,037	177,473	119,856	204,559	115.3%	90.2%	170.7%	124.9%
May	123,930	60,387	101,700	103,736	120,003	96,617	93.1%	90.6%	80.5%	116.0%
Jun	117,226	127,410	139,860	152,470	155,460		0.0%	75.5%	0.0%	92.0%
Jul	82,469	122,959	83,003	65,541	91,976		0.0%	70.5%	0.0%	82.0%
Aug	39,698	129,430	135,998	124,102	140,777		0.0%	62.6%	0.0%	70.3%
Sep	118,185	99,986	151,963	110,699	136,531		0.0%	56.9%	0.0%	61.7%
Oct	233,281	88,790	140,631	247,533	178,753		0.0%	47.3%	0.0%	53.2%
Nov	190,782	240,584	133,558	155,633	183,191		0.0%	42.7%	0.0%	46.7%
Dec	366,082	149,849	149,597	227,012	363,475		0.0%	37.5%	0.0%	37.5%
Totals	1,529,611	1,468,338	1,455,649	1,847,288	1,847,240	692,481				
% Of Change	27.2%	-4.0%	-0.9%	26.9%	0.0%					

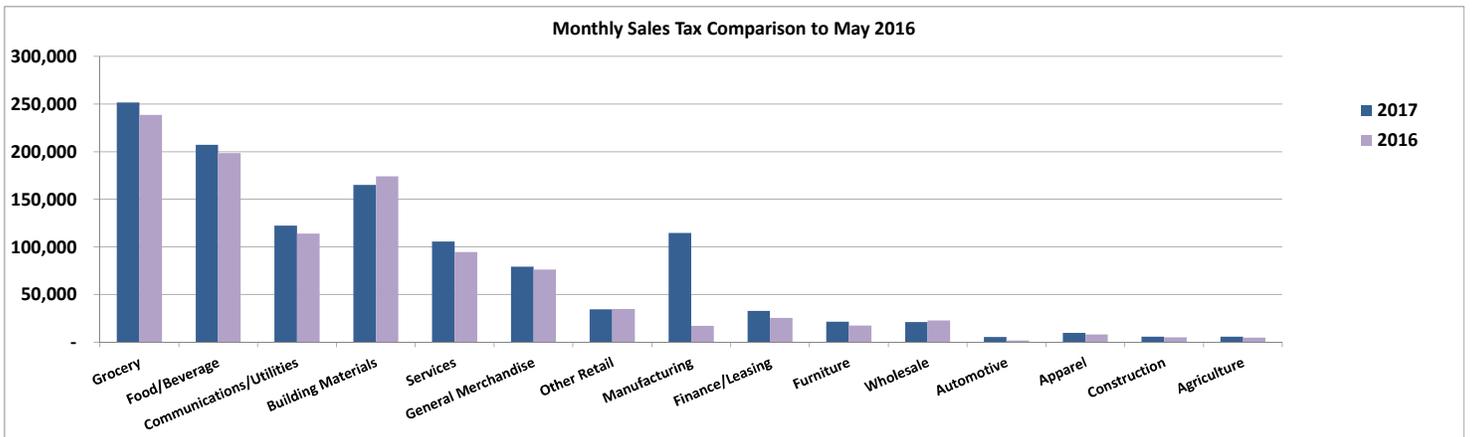
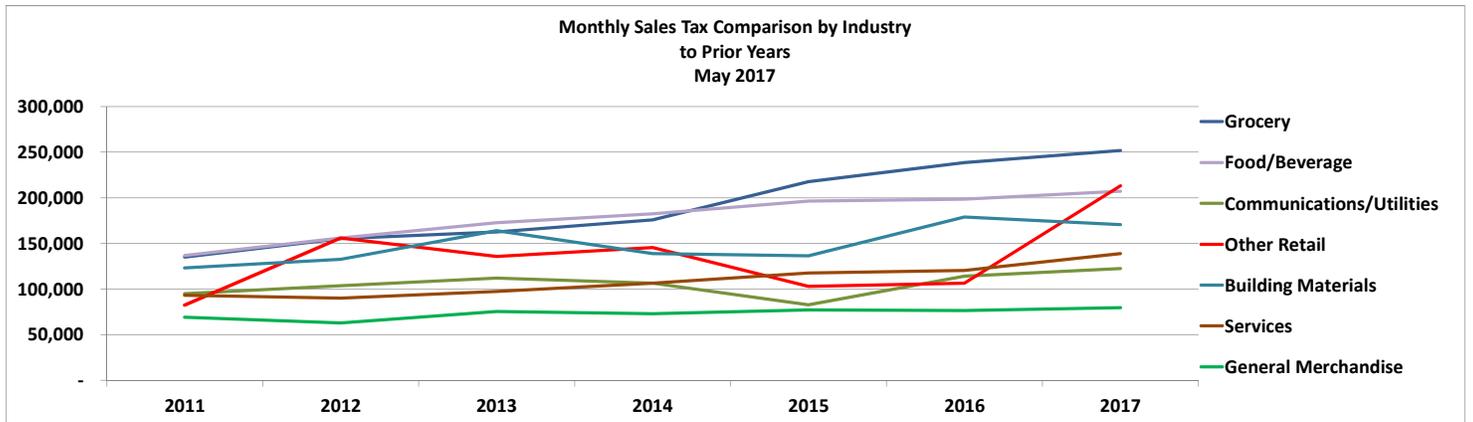
Monthly Sales Tax Revenue Comparisons by Area (May 2017)

AREA NAME	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	% Of Total	% Change
Interchange	279,712	302,723	331,484	310,617	325,220	370,125	380,617	32.2%	2.8%
Outside City	141,979	176,806	186,229	227,224	169,530	210,182	268,046	22.7%	27.5%
Louisville Plaza	118,983	124,197	140,159	156,126	164,590	172,900	171,856	14.5%	-0.6%
McCaslin North	57,919	59,637	62,434	63,945	67,578	84,521	61,662	5.2%	-27.0%
Downtown	51,960	63,198	75,021	84,634	92,509	84,985	91,996	7.8%	8.2%
Hwy 42 South	16,443	18,326	21,048	22,452	22,065	24,609	24,187	2.0%	-1.7%
CTC	15,912	21,603	19,794	15,640	16,116	13,572	109,430	9.2%	706.3%
S Boulder Rd	9,317	10,370	10,348	13,057	41,894	43,119	46,091	3.9%	6.9%
Hwy 42 North	9,363	10,005	5,026	5,666	7,069	9,228	8,395	0.7%	-9.0%
Pine Street	6,736	6,348	9,148	6,369	5,475	6,325	5,271	0.4%	-16.7%
Centennial Valley	21,325	57,394	52,532	19,980	16,563	8,419	9,794	0.8%	16.3%
S Suburban	3,957	4,768	5,233	2,606	2,114	4,435	5,207	0.4%	17.4%
Residential	412	310	498	106	335	544	563	0.0%	3.5%
Total Revenue	734,017	855,685	918,954	928,421	931,057	1,032,963	1,183,115		
% Of Change	0.1%	16.6%	7.4%	1.0%	0.3%	10.9%	14.5%		



Monthly Sales Tax Revenue Comparisons by Industry (May 2017)

AREA NAME	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	% Of Total	% Change
Grocery	134,944	155,087	162,438	175,821	217,687	238,577	251,660	21.3%	5.5%
Food/Beverage	136,859	155,886	172,580	182,484	196,477	198,535	207,343	17.5%	4.4%
Communications/Utilities	94,932	103,525	112,130	106,415	82,764	113,896	122,377	10.3%	7.4%
Building Materials	121,391	132,331	162,358	136,078	135,728	173,982	165,052	14.0%	-5.1%
Services	76,666	76,053	81,337	88,831	94,381	94,674	105,733	8.9%	11.7%
General Merchandise	68,890	62,678	75,272	72,722	77,140	76,280	79,369	6.7%	4.0%
Other Retail	18,579	48,048	22,963	63,907	32,436	34,808	34,610	2.9%	-0.6%
Manufacturing	29,822	72,059	67,122	35,371	24,389	16,954	114,685	9.7%	576.4%
Finance/Leasing	16,338	13,955	15,879	17,719	23,068	25,584	32,914	2.8%	28.7%
Furniture	14,939	14,129	17,013	18,274	15,871	17,435	21,579	1.8%	23.8%
Wholesale	9,468	11,182	10,568	12,319	13,434	22,643	21,240	1.8%	-6.2%
Automotive	4,308	4,110	8,089	6,267	5,525	1,872	5,466	0.5%	192.0%
Apparel	4,434	5,104	6,231	5,787	7,731	8,201	9,706	0.8%	18.4%
Construction	1,631	317	1,430	2,908	754	4,927	5,596	0.5%	13.6%
Agriculture	818	1,221	3,544	3,518	3,671	4,594	5,784	0.5%	25.9%
Totals	734,017	855,685	918,954	928,421	931,057	1,032,963	1,183,115		
% Of Change	0.1%	16.6%	7.4%	1.0%	0.3%	10.9%	14.5%		



**SUBJECT: REVENUE PROJECTION DASHBOARD – PROJECTIONS
DATED JULY 14, 2017**

DATE: JULY 21, 2017

PRESENTED BY: KEVIN WATSON, FINANCE

SUMMARY:

Attached are copies of two revenue projection “dashboards” with 2017 revenue projections dated July 14, 2017.

The first dashboard contains most City-wide revenue sources totaling at least \$100,000 per year. For each revenue source, a 2017 annual projection is compared to the 2017 annual budget and to the 2016 annual actual amount. Variances are expressed in both dollar amounts and percentages. Positive variances exceeding \$100,000 and/or 5% are highlighted in green. Negative variances exceeding \$100,000 and/or 5% are highlighted in red.

The second dashboard is similar to the first, but contains only General Fund revenue sources totaling at least \$100,000 per year. This dashboard also includes the latest projection of total General Fund revenue at the bottom.

Projections are based on a simple trend analysis using amounts actually received during the first six months of the year. For some revenue sources, projections are based on forecasts made by the departments that assess or collect the revenue. These projections are highlighted in orange. In all other cases, projections are based on the Finance Department’s trend analysis.

All projections for building-related revenue are based on forecasts from the Planning & Building Department. Building-related revenue includes Building Use Tax, Construction Permits, Impact Fees, and Utility Tap Fees. Golf Course operating revenue includes a consolidation of green fees, annual season passes, golf cart rentals, driving range fees, pro shop merchandise sales, pull cart rentals, club rentals, golf lesson fees, club repair fees, and handicap fees

City of Louisville, Colorado
2017 Revenue Projection Dashboard - **All Funds**
Projections As Of July 14, 2017

Revenue Category	2017	2017	Variance		2016	2017	Variance	
	Budget	Projection	Amount	Percent	Actual	Projection	Amount	Percent
Property Tax	3,644,820	3,644,820	-	0.0%	3,559,536	3,644,820	85,284	2.4%
Sales Tax	13,347,450	13,540,910	193,460	1.4%	12,896,098	13,540,910	644,812	5.0%
Consumer Use Tax	1,847,240	1,754,880	(92,360)	-5.0%	1,847,243	1,754,880	(92,363)	-5.0%
Auto Use Tax	1,384,440	1,425,880	41,440	3.0%	1,357,307	1,425,880	68,573	5.1%
Building Use Tax	1,755,090	1,150,460	(604,630)	-34.5%	2,000,821	1,150,460	(850,361)	-42.5%
Lodging Tax	522,780	512,730	(10,050)	-1.9%	500,223	512,730	12,507	2.5%
Specific Ownership Tax	199,310	196,440	(2,870)	-1.4%	191,644	196,440	4,796	2.5%
Franchise Tax	1,078,070	1,010,180	(67,890)	-6.3%	1,057,233	1,010,180	(47,053)	-4.5%
Marijuana Tax	118,850	147,150	28,300	23.8%	113,121	147,150	34,030	30.1%
Construction Permits	1,362,830	722,420	(640,410)	-47.0%	1,564,367	722,420	(841,947)	-53.8%
Court Fines	134,130	166,670	32,540	24.3%	166,668	166,670	2	0.0%
Highway Users Tax	633,210	633,210	-	0.0%	626,946	633,210	6,264	1.0%
Rec Ctr Membership Fees	833,450	756,070	(77,380)	-9.3%	763,710	756,070	(7,640)	-1.0%
Rec Ctr Daily User Fees	85,000	84,000	(1,000)	-1.2%	88,423	84,000	(4,423)	-5.0%
Rec Ctr Swim Lessons	115,010	154,230	39,220	34.1%	102,823	154,230	51,407	50.0%
Rec Ctr Youth Activity Fees	170,000	227,000	57,000	33.5%	189,164	227,000	37,836	20.0%
Rec Ctr Youth Sports Fees	102,000	123,900	21,900	21.5%	112,638	123,900	11,262	10.0%
State Lottery Proceeds	225,750	201,160	(24,590)	-10.9%	221,513	201,160	(20,353)	-9.2%
Impact Fees	1,168,130	325,520	(842,610)	-72.1%	1,517,611	325,520	(1,192,091)	-78.6%
Water User Fees	5,772,150	5,772,150	-	0.0%	5,772,151	5,772,150	(1)	0.0%
Water Tap Fees	10,673,110	4,349,697	(6,323,413)	-59.2%	7,089,743	4,349,697	(2,740,046)	-38.6%
Wastewater User Fees	3,027,960	3,027,960	-	0.0%	2,988,150	3,027,960	39,810	1.3%
Wastewater Tap Fees	1,152,290	636,780	(515,510)	-44.7%	1,376,709	636,780	(739,929)	-53.7%
Storm Water User Fees	711,590	711,590	-	0.0%	692,881	711,590	18,709	2.7%
Golf Course Operating Fees	1,537,660	1,477,220	(60,440)	-3.9%	1,351,353	1,477,220	125,867	9.3%
Solid Waste & Recycling Fees	1,520,460	1,440,000	(80,460)	-5.3%	1,399,199	1,440,000	40,801	2.9%

= Department Projection
 = Positive Variance exceeding \$100,000 and/or 5%
 = Neutral Variance within \$100,000 and/or 5%
 = Negative Variance exceeding \$100,000 and/or 5%

City of Louisville, Colorado
2017 Revenue Projection Dashboard - **General Fund**
Projections As Of July 14, 2017

Revenue Category	2017	2017	Variance		2016	2017	Variance	
	Budget	Projection	Amount	Percent	Actual	Projection	Amount	Percent
Property Tax	2,759,960	2,759,960	-	0.0%	2,362,141	2,759,960	397,819	16.8%
Sales Tax	7,174,090	7,208,750	34,660	0.5%	6,931,486	7,208,750	277,264	4.0%
Consumer Use Tax	828,530	911,620	83,090	10.0%	828,742	911,620	82,878	10.0%
Auto Use Tax	1,234,980	1,205,580	(29,400)	-2.4%	1,176,176	1,205,580	29,404	2.5%
Lodging Tax	522,780	512,730	(10,050)	-1.9%	500,223	512,730	12,507	2.5%
Specific Ownership Tax	199,310	196,440	(2,870)	-1.4%	191,644	196,440	4,796	2.5%
Franchise Tax	1,078,070	1,010,180	(67,890)	-6.3%	1,057,233	1,010,180	(47,053)	-4.5%
Marijuana Tax	118,850	147,150	28,300	23.8%	113,121	147,150	34,030	30.1%
Construction Permits	1,362,830	722,420	(640,410)	-47.0%	1,564,367	722,420	(841,947)	-53.8%
Court Fines	134,130	166,670	32,540	24.3%	166,668	166,670	2	0.0%
Highway Users Tax	633,210	633,210	-	0.0%	626,946	633,210	6,264	1.0%
Rec Ctr Membership Fees	833,450	756,070	(77,380)	-9.3%	763,710	756,070	(7,640)	-1.0%
Rec Ctr Daily User Fees	85,000	84,000	(1,000)	-1.2%	88,423	84,000	(4,423)	-5.0%
Rec Ctr Swim Lessons	115,010	154,230	39,220	34.1%	102,823	154,230	51,407	50.0%
Rec Ctr Youth Activity Fees	170,000	227,000	57,000	33.5%	189,164	227,000	37,836	20.0%
Rec Ctr Youth Sports Fees	102,000	123,900	21,900	21.5%	112,638	123,900	11,262	10.0%
All General Fund Revenue <i>(not a total of above)</i>	19,702,820	19,124,773	(578,047)	-2.9%	19,290,590	19,124,773	(165,817)	-0.9%

= Department Other Than Finance Making the Projection
 = Positive Variance exceeding \$100,000 and/or 5%
 = Neutral Variance within \$100,000 and/or 5%
 = Negative Variance exceeding \$100,000 and/or 5%

SUBJECT: CASH & INVESTMENTS AT JUNE 30, 2017

DATE: JULY 21, 2017

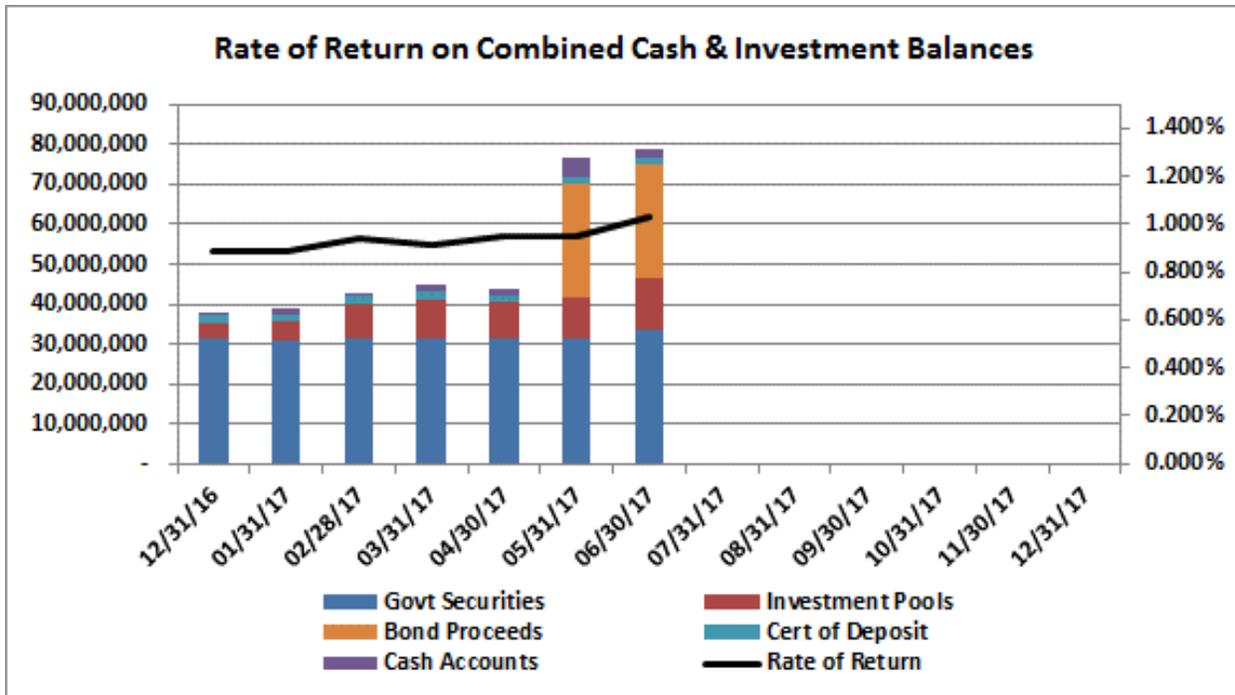
PRESENTED BY: KEVIN WATSON, FINANCE DEPARTMENT

SUMMARY:

Attached is the June 30, 2017 monthly and quarterly reports from Chandler Asset Management, the City’s Investment Advisor. Please note that the monthly report is a consolidated report and includes the majority of the City’s cash and investments, not only those investments managed by Chandler.

As of April 30, total cash and investments amounted to \$78.7 million, an increase of \$1.9 million since May 31. The average rate of return on *all* cash and investments was approximately 1.03% during June 2017.

The following chart summarizes the distribution of all cash and investments and the average rate of return for December 2016 through June 2017.



Bonds proceeds refer to the Recreation Center Limited General Obligation Bond proceeds.

Monthly Account Statement

City of Louisville Consolidated

June 1, 2017 through June 30, 2017

Chandler Team

For questions about your account,
please call (800) 317-4747 or
Email operations@chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.



PORTFOLIO CHARACTERISTICS

Average Duration	0.40
Average Coupon	0.70 %
Average Purchase YTM	0.75 %
Average Market YTM	0.83 %
Average S&P/Moody Rating	AA+/Aaa
Average Final Maturity	0.41 yrs
Average Life	0.38 yrs

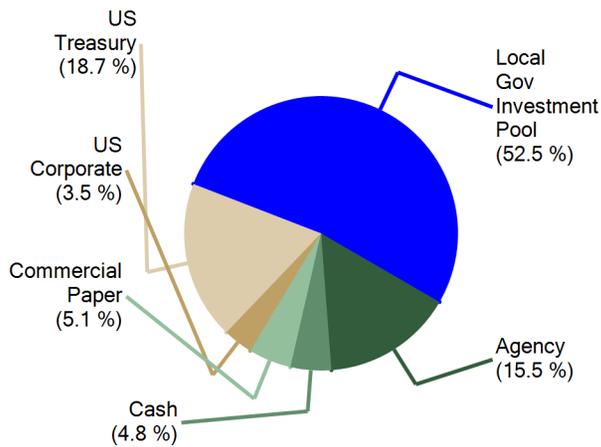
ACCOUNT SUMMARY

	Beg. Values as of 5/31/17	End Values as of 6/30/17
Market Value	76,730,268	78,600,917
Accrued Interest	78,376	77,619
Total Market Value	76,808,643	78,678,536
Income Earned Cont/WD	28,260	28,722
Par	76,822,989	78,711,195
Book Value	76,776,738	78,664,133
Cost Value	76,748,650	78,633,853

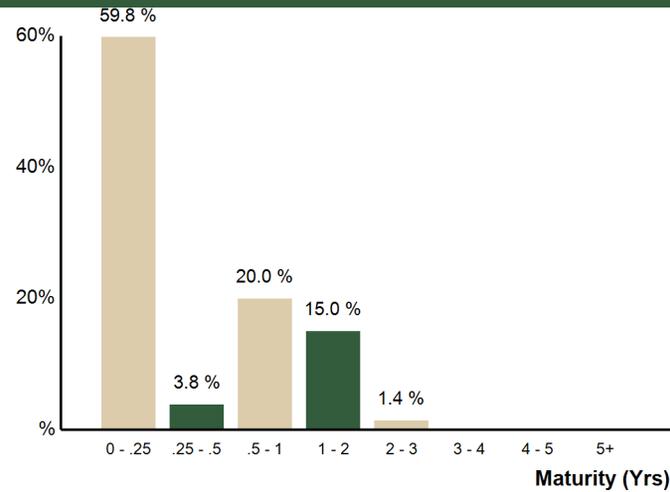
TOP ISSUERS

Issuer	% Portfolio
Local Govt Investment Pool	52.2 %
Government of United States	18.7 %
Federal Home Loan Bank	6.1 %
Louisville Cash/LGIP	4.8 %
Federal National Mortgage Assoc	4.3 %
Federal Home Loan Mortgage Corp	2.9 %
Federal Farm Credit Bank	2.3 %
Exxon Mobil Corp	1.9 %
	93.1 %

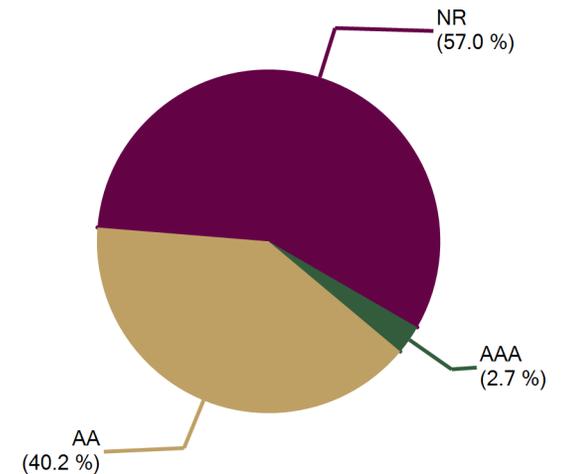
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)





Holdings Report

As of 6/30/17

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
3137EADV8	FHLMC Note 0.75% Due 7/14/2017	1,000,000.00	10/30/2015 0.71 %	1,000,669.00 1,000,014.03	99.99 0.99 %	999,904.00 3,479.17	1.28 % (110.03)	Aaa / AA+ AAA	0.04 0.04
3135G0TG8	FNMA Note 0.875% Due 2/8/2018	1,500,000.00	06/12/2015 1.06 %	1,492,810.50 1,498,352.87	99.80 1.20 %	1,497,073.50 5,213.54	1.91 % (1,279.37)	Aaa / AA+ AAA	0.61 0.60
3137EAEA3	FHLMC Note 0.75% Due 4/9/2018	1,250,000.00	04/06/2016 0.83 %	1,248,037.50 1,249,243.95	99.62 1.24 %	1,245,310.00 2,135.42	1.59 % (3,933.95)	Aaa / AA+ AAA	0.78 0.77
3130A4GJ5	FHLB Note 1.125% Due 4/25/2018	750,000.00	12/28/2016 1.12 %	750,012.00 750,007.42	99.89 1.26 %	749,180.25 1,546.88	0.95 % (827.17)	Aaa / AA+ AAA	0.82 0.81
3135G0WJ8	FNMA Note 0.875% Due 5/21/2018	1,500,000.00	05/26/2015 1.06 %	1,492,065.00 1,497,641.34	99.66 1.26 %	1,494,871.50 1,458.33	1.90 % (2,769.84)	Aaa / AA+ AAA	0.89 0.88
3133EGJS5	FFCB Note 0.7% Due 7/5/2018	700,000.00	10/03/2016 0.89 %	697,697.00 698,670.10	99.58 1.12 %	697,069.80 2,395.56	0.89 % (1,600.30)	Aaa / AA+ AAA	1.01 1.00
3133EFX69	FFCB Note 0.96% Due 10/5/2018	1,100,000.00	05/17/2016 0.97 %	1,099,802.00 1,099,895.08	99.50 1.36 %	1,094,505.50 2,522.67	1.39 % (5,389.58)	Aaa / AA+ AAA	1.27 1.25
313376BR5	FHLB Note 1.75% Due 12/14/2018	1,000,000.00	12/21/2016 1.29 %	1,009,000.00 1,006,628.29	100.54 1.37 %	1,005,388.00 826.39	1.28 % (1,240.29)	Aaa / AA+ AAA	1.46 1.43
3133782M2	FHLB Note 1.5% Due 3/8/2019	1,000,000.00	06/23/2017 1.38 %	1,002,040.00 1,002,023.55	100.12 1.43 %	1,001,228.00 4,708.33	1.28 % (795.55)	Aaa / AA+ AAA	1.69 1.65
3130ABF92	FHLB Note 1.375% Due 5/28/2019	1,000,000.00	05/30/2017 1.36 %	1,000,220.00 1,000,210.62	99.89 1.43 %	998,930.00 1,871.53	1.27 % (1,280.62)	Aaa / AA+ AAA	1.91 1.88
313379EE5	FHLB Note 1.625% Due 6/14/2019	1,000,000.00	06/13/2017 1.44 %	1,003,580.00 1,003,501.43	100.34 1.45 %	1,003,399.00 767.36	1.28 % (102.43)	Aaa / AA+ AAA	1.96 1.92
3135G0N33	FNMA Note 0.875% Due 8/2/2019	350,000.00	Various 0.92 %	349,526.00 349,670.15	98.80 1.46 %	345,792.30 1,267.54	0.44 % (3,877.85)	Aaa / AA+ AAA	2.09 2.05
Total Agency		12,150,000.00	1.09 %	12,145,459.00 12,155,858.83	1.29 %	12,132,651.85 28,192.72	15.46 % (23,206.98)	Aaa / AA+ AAA	1.13 1.11
CASH									
90CASH\$02	LSVL Cash Accounts	1,843,511.28	Various 0.50 %	1,843,511.28 1,843,511.28	1.00 0.50 %	1,843,511.28 0.00	2.34 % 0.00	NR / NR NR	0.00 0.00
90COMB\$00	LSVL Compensating Balance Account	1,937,918.83	Various 0.00 %	1,937,918.83 1,937,918.83	1.00 0.00 %	1,937,918.83 0.00	2.46 % 0.00	NR / NR NR	0.00 0.00
Total Cash		3,781,430.11	0.24 %	3,781,430.11	0.24 %	3,781,430.11 0.00	4.81 % 0.00	NR / NR NR	0.00 0.00
COMMERCIAL PAPER									
06538BVB6	Bank of Tokyo Mitsubishi NY Discount CP 1.22% Due 8/11/2017	1,000,000.00	04/11/2017 1.24 %	995,865.56 995,865.56	99.59 1.24 %	995,865.56 2,745.00	1.27 % 0.00	P-1 / A-1 NR	0.12 0.11



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
COMMERCIAL PAPER									
21687AXX6	Rabobank Nederland NV NY Discount CP 1.28% Due 10/31/2017	1,000,000.00	02/03/2017 1.31 %	990,400.00 990,400.00	99.04 1.31 %	990,400.00 5,262.22	1.27 % 0.00	P-1 / A-1 NR	0.34 0.33
36164KAP6	GE Capital Treasury LLC Discount CP 1.28% Due 1/23/2018	1,000,000.00	06/26/2017 1.31 %	992,497.78 992,497.78	99.25 1.31 %	992,497.78 177.78	1.26 % 0.00	P-1 / A-1+ NR	0.57 0.56
89233HC69	Toyota Motor Credit Discount CP 1.4% Due 3/6/2018	1,000,000.00	06/09/2017 1.43 %	989,500.00 989,500.00	98.95 1.43 %	989,500.00 855.56	1.26 % 0.00	P-1 / A-1+ NR	0.68 0.68
Total Commercial Paper		4,000,000.00	1.32 %	3,968,263.34 3,968,263.34	1.32 %	3,968,263.34 9,040.56	5.06 % 0.00	Aaa / AA+ NR	0.42 0.42
LOCAL GOV INVESTMENT POOL									
90LGIP\$00	LGIP Local Govt Investment Pool	41,100,591.29	Various 0.51 %	41,100,591.29 41,100,591.29	1.00 0.51 %	41,100,591.29 0.00	52.24 % 0.00	NR / NR NR	0.00 0.00
99CSAFE\$0	CSAFE Investment Pool	179,173.83	Various 1.00 %	179,173.83 179,173.83	1.00 1.00 %	179,173.83 0.00	0.23 % 0.00	NR / AAA NR	0.00 0.00
Total Local Gov Investment Pool		41,279,765.12	0.51 %	41,279,765.12 41,279,765.12	0.51 %	41,279,765.12 0.00	52.47 % 0.00	NR / AAA NR	0.00 0.00
US CORPORATE									
30231GAL6	Exxon Mobil Corp Note 1.305% Due 3/6/2018	1,500,000.00	03/03/2015 1.31 %	1,500,000.00 1,500,000.00	99.94 1.39 %	1,499,091.00 6,253.13	1.91 % (909.00)	Aaa / AA+ NR	0.68 0.68
084664BY6	Berkshire Hathaway Note 2% Due 8/15/2018	500,000.00	10/03/2016 1.20 %	507,295.00 504,411.43	100.48 1.57 %	502,407.00 3,777.78	0.64 % (2,004.43)	Aa2 / AA A+	1.13 1.10
037833CB4	Apple Inc Note 1.1% Due 8/2/2019	750,000.00	07/29/2016 1.06 %	750,907.50 750,632.68	98.93 1.62 %	741,987.00 3,368.75	0.95 % (8,645.68)	Aa1 / AA+ NR	2.09 2.05
Total US Corporate		2,750,000.00	1.22 %	2,758,202.50 2,755,044.11	1.49 %	2,743,485.00 13,399.66	3.50 % (11,559.11)	Aa1 / AA+ A+	1.14 1.12
US TREASURY									
912828TW0	US Treasury Note 0.75% Due 10/31/2017	1,000,000.00	04/23/2015 0.77 %	999,612.73 999,948.70	99.89 1.09 %	998,860.00 1,263.59	1.27 % (1,088.70)	Aaa / AA+ AAA	0.34 0.33
912828UA6	US Treasury Note 0.625% Due 11/30/2017	1,000,000.00	12/21/2015 1.00 %	992,815.85 998,459.82	99.79 1.12 %	997,937.00 529.37	1.27 % (522.82)	Aaa / AA+ AAA	0.42 0.42
912828UE8	US Treasury Note 0.75% Due 12/31/2017	1,000,000.00	12/18/2015 1.03 %	994,495.54 998,640.60	99.80 1.15 %	997,995.00 20.38	1.27 % (645.60)	Aaa / AA+ AAA	0.50 0.50
912828UJ7	US Treasury Note 0.875% Due 1/31/2018	1,500,000.00	03/17/2015 1.04 %	1,493,208.15 1,498,615.76	99.82 1.18 %	1,497,373.50 5,474.79	1.91 % (1,242.26)	Aaa / AA+ AAA	0.59 0.58
912828UU2	US Treasury Note 0.75% Due 3/31/2018	1,000,000.00	12/15/2016 1.10 %	995,472.10 997,369.96	99.63 1.25 %	996,289.00 1,885.25	1.27 % (1,080.96)	Aaa / AA+ AAA	0.75 0.74
912828UZ1	US Treasury Note 0.625% Due 4/30/2018	1,000,000.00	12/21/2016 1.06 %	994,222.10 996,448.88	99.47 1.27 %	994,688.00 1,052.99	1.27 % (1,760.88)	Aaa / AA+ AAA	0.83 0.83



Holdings Report

As of 6/30/17

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US TREASURY									
912828VE7	US Treasury Note 1% Due 5/31/2018	1,000,000.00	04/19/2016 0.80 %	1,004,222.10 1,001,829.03	99.74 1.29 %	997,383.00 846.99	1.27 % (4,446.03)	Aaa / AA+ AAA	0.92 0.91
912828R93	US Treasury Note 0.625% Due 6/30/2018	1,750,000.00	Various 1.10 %	1,738,052.74 1,741,766.58	99.36 1.27 %	1,738,857.75 29.72	2.21 % (2,908.83)	Aaa / AA+ AAA	1.00 0.99
912828S68	US Treasury Note 0.75% Due 7/31/2018	750,000.00	12/28/2016 1.18 %	744,904.86 746,524.04	99.41 1.30 %	745,605.75 2,346.34	0.95 % (918.29)	Aaa / AA+ AAA	1.08 1.07
912828K82	US Treasury Note 1% Due 8/15/2018	750,000.00	04/19/2016 0.83 %	752,932.20 751,419.36	99.66 1.30 %	747,451.50 2,817.68	0.95 % (3,967.86)	Aaa / AA+ AAA	1.13 1.11
912828C3	US Treasury Note 0.75% Due 8/31/2018	1,500,000.00	02/21/2017 1.08 %	1,492,563.62 1,494,292.08	99.34 1.32 %	1,490,157.00 3,760.19	1.90 % (4,135.08)	Aaa / AA+ AAA	1.17 1.16
912828RH5	US Treasury Note 1.375% Due 9/30/2018	750,000.00	01/31/2017 1.10 %	753,371.65 752,532.90	100.04 1.34 %	750,293.25 2,592.21	0.96 % (2,239.65)	Aaa / AA+ AAA	1.25 1.23
912828U40	US Treasury Note 1% Due 11/30/2018	1,000,000.00	02/15/2017 1.22 %	996,058.04 996,874.24	99.52 1.35 %	995,156.00 846.99	1.27 % (1,718.24)	Aaa / AA+ AAA	1.42 1.40
912828V56	US Treasury Note 1.125% Due 1/31/2019	750,000.00	01/31/2017 1.21 %	748,801.34 749,049.28	99.64 1.36 %	747,275.25 3,519.51	0.95 % (1,774.03)	Aaa / AA+ AAA	1.59 1.56
Total US Treasury		14,750,000.00	1.04 %	14,700,733.02 14,723,771.23	1.25 %	14,695,322.00 26,986.00	18.71 % (28,449.23)	Aaa / AA+ AAA	0.91 0.89
TOTAL PORTFOLIO		78,711,195.23	0.75 %	78,633,853.09 78,664,132.74	0.83 %	78,600,917.42 77,618.94	100.00 % (63,215.32)	Aaa / AA+ AAA	0.41 0.40
TOTAL MARKET VALUE PLUS ACCRUED						78,678,536.36			



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	06/01/2017	99CSAFE\$0	108.97	CSAFE Investment Pool	1.000	0.98 %	108.97	0.00	108.97	0.00
Purchase	06/09/2017	89233HC69	1,000,000.00	Toyota Motor Credit Discount CP 1.4% Due 3/6/2018	98.950	1.43 %	989,500.00	0.00	989,500.00	0.00
Purchase	06/09/2017	99CSAFE\$0	1,000,000.00	CSAFE Investment Pool	1.000	0.98 %	1,000,000.00	0.00	1,000,000.00	0.00
Purchase	06/14/2017	99CSAFE\$0	8,750.00	CSAFE Investment Pool	1.000	0.98 %	8,750.00	0.00	8,750.00	0.00
Purchase	06/15/2017	313379EE5	1,000,000.00	FHLB Note 1.625% Due 6/14/2019	100.358	1.44 %	1,003,580.00	45.14	1,003,625.14	0.00
Purchase	06/15/2017	99CSAFE\$0	4,375.00	CSAFE Investment Pool	1.000	0.98 %	4,375.00	0.00	4,375.00	0.00
Purchase	06/15/2017	99CSAFE\$0	1,000,000.00	CSAFE Investment Pool	1.000	0.98 %	1,000,000.00	0.00	1,000,000.00	0.00
Purchase	06/26/2017	3133782M2	1,000,000.00	FHLB Note 1.5% Due 3/8/2019	100.204	1.38 %	1,002,040.00	4,500.00	1,006,540.00	0.00
Purchase	06/26/2017	36164KAP6	1,000,000.00	GE Capital Treasury LLC Discount CP 1.28% Due 1/23/2018	99.250	1.31 %	992,497.78	0.00	992,497.78	0.00
Purchase	06/30/2017	99CSAFE\$0	9,218.75	CSAFE Investment Pool	1.000	1.00 %	9,218.75	0.00	9,218.75	0.00
	Subtotal		6,022,452.72				6,010,070.50	4,545.14	6,014,615.64	0.00
Security Contribution	06/23/2017	99CSAFE\$0	2,000,000.00	CSAFE Investment Pool	1.000		2,000,000.00	0.00	2,000,000.00	0.00
Security Contribution	06/30/2017	90COMB\$00	37,493.35	LSVL Compensating Balance Account	1.000		37,493.35	0.00	37,493.35	0.00
Security Contribution	06/30/2017	90LGIP\$00	2,812,269.56	LGIP Local Govt Investment Pool	1.000		2,812,269.56	0.00	2,812,269.56	0.00
	Subtotal		4,849,762.91				4,849,762.91	0.00	4,849,762.91	0.00
Short Sale	06/15/2017	99CSAFE\$0	-1,003,625.14	CSAFE Investment Pool	1.000		-1,003,625.14	0.00	-1,003,625.14	0.00
Short Sale	06/26/2017	99CSAFE\$0	-1,006,540.00	CSAFE Investment Pool	1.000		-1,006,540.00	0.00	-1,006,540.00	0.00
	Subtotal		-2,010,165.14				-2,010,165.14	0.00	-2,010,165.14	0.00
TOTAL ACQUISITIONS			8,862,050.49				8,849,668.27	4,545.14	8,854,213.41	0.00

DISPOSITIONS										
Closing Purchase	06/15/2017	99CSAFE\$0	-1,003,625.14	CSAFE Investment Pool	1.000		-1,003,625.14	0.00	-1,003,625.14	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Closing Purchase	06/26/2017	99CSAFE\$0	-1,006,540.00	CSAFE Investment Pool	1.000		-1,006,540.00	0.00	-1,006,540.00	0.00
			Subtotal				-2,010,165.14	0.00	-2,010,165.14	0.00
Sale	06/09/2017	99CSAFE\$0	989,500.00	CSAFE Investment Pool	1.000	0.98 %	989,500.00	0.00	989,500.00	0.00
Sale	06/15/2017	99CSAFE\$0	1,003,625.14	CSAFE Investment Pool	1.000	0.98 %	1,003,625.14	0.00	1,003,625.14	0.00
Sale	06/26/2017	99CSAFE\$0	1,999,037.78	CSAFE Investment Pool	1.000	0.98 %	1,999,037.78	0.00	1,999,037.78	0.00
			Subtotal				3,992,162.92	0.00	3,992,162.92	0.00
Maturity	06/09/2017	89233GT97	1,000,000.00	Toyota Motor Credit Discount CP 1.24% Due 6/9/2017	99.073		990,734.44	9,265.56	1,000,000.00	0.00
Maturity	06/15/2017	912828WP1	1,000,000.00	US Treasury Note 0.875% Due 6/15/2017	100.000		1,000,000.00	0.00	1,000,000.00	0.00
			Subtotal				1,990,734.44	9,265.56	2,000,000.00	0.00
Security Withdrawal	06/20/2017	99CSAFE\$0	1,318.06	CSAFE Investment Pool	1.000		1,318.06	0.00	1,318.06	0.00
Security Withdrawal	06/30/2017	90CASH\$02	2,990,528.75	LSVL Cash Accounts	1.000		2,990,528.75	0.00	2,990,528.75	0.00
			Subtotal				2,991,846.81	0.00	2,991,846.81	0.00
TOTAL DISPOSITIONS			6,973,844.59				6,964,579.03	9,265.56	6,973,844.59	0.00
OTHER TRANSACTIONS										
Interest	06/14/2017	313376BR5	1,000,000.00	FHLB Note 1.75% Due 12/14/2018	0.000		8,750.00	0.00	8,750.00	0.00
Interest	06/15/2017	912828WP1	1,000,000.00	US Treasury Note 0.875% Due 6/15/2017	0.000		4,375.00	0.00	4,375.00	0.00
Interest	06/30/2017	912828R93	1,750,000.00	US Treasury Note 0.625% Due 6/30/2018	0.000		5,468.75	0.00	5,468.75	0.00
Interest	06/30/2017	912828UE8	1,000,000.00	US Treasury Note 0.75% Due 12/31/2017	0.000		3,750.00	0.00	3,750.00	0.00
			Subtotal				22,343.75	0.00	22,343.75	0.00



Transaction Ledger

5/31/17 Thru 6/30/17

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
OTHER TRANSACTIONS										
Dividend	06/01/2017	99CSAFE\$0	150,202.09	CSAFE Investment Pool	0.000		108.97	0.00	108.97	0.00
	Subtotal		150,202.09				108.97	0.00	108.97	0.00
TOTAL OTHER TRANSACTIONS			4,900,202.09				22,452.72	0.00	22,452.72	0.00



Income Earned

5/31/17 Thru 6/30/17

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Unreal G/L Total Income
Fixed Income						
037833CB4	Apple Inc Note 1.1% Due 08/02/2019	07/29/2016 08/04/2016 750,000.00	750,657.58 0.00 0.00 750,632.68	2,681.25 0.00 3,368.75 687.50	0.00 24.90 (24.90) 662.60	0.00 662.60
084664BY6	Berkshire Hathaway Note 2% Due 08/15/2018	10/03/2016 10/06/2016 500,000.00	504,734.22 0.00 0.00 504,411.43	2,944.44 0.00 3,777.78 833.34	0.00 322.79 (322.79) 510.55	0.00 510.55
30231GAL6	Exxon Mobil Corp Note 1.305% Due 03/06/2018	03/03/2015 03/06/2015 1,500,000.00	1,500,000.00 0.00 0.00 1,500,000.00	4,621.88 0.00 6,253.13 1,631.25	0.00 0.00 0.00 1,631.25	0.00 1,631.25
3130A4GJ5	FHLB Note 1.125% Due 04/25/2018	12/28/2016 12/29/2016 750,000.00	750,008.17 0.00 0.00 750,007.42	843.75 0.00 1,546.88 703.13	0.00 0.75 (0.75) 702.38	0.00 702.38
3130ABF92	FHLB Note 1.375% Due 05/28/2019	05/30/2017 05/31/2017 1,000,000.00	1,000,219.70 0.00 0.00 1,000,210.62	725.69 0.00 1,871.53 1,145.84	0.00 9.08 (9.08) 1,136.76	0.00 1,136.76
313376BR5	FHLB Note 1.75% Due 12/14/2018	12/21/2016 12/23/2016 1,000,000.00	1,007,002.77 0.00 0.00 1,006,628.29	8,118.06 8,750.00 826.39 1,458.33	0.00 374.48 (374.48) 1,083.85	0.00 1,083.85
3133782M2	FHLB Note 1.5% Due 03/08/2019	06/23/2017 06/26/2017 1,000,000.00	0.00 1,002,040.00 0.00 1,002,023.55	0.00 (4,500.00) 4,708.33 208.33	0.00 16.45 (16.45) 191.88	0.00 191.88
313379EE5	FHLB Note 1.625% Due 06/14/2019	06/13/2017 06/15/2017 1,000,000.00	0.00 1,003,580.00 0.00 1,003,501.43	0.00 (45.14) 767.36 722.22	0.00 78.57 (78.57) 643.65	0.00 643.65
3133EFX69	FFCB Note 0.96% Due 10/05/2018	05/17/2016 05/18/2016 1,100,000.00	1,099,888.26 0.00 0.00 1,099,895.08	1,642.67 0.00 2,522.67 880.00	6.82 0.00 6.82 886.82	0.00 886.82
3133EGJS5	FFCB Note 0.7% Due 07/05/2018	10/03/2016 10/04/2016 700,000.00	698,561.98 0.00 0.00 698,670.10	1,987.22 0.00 2,395.56 408.34	108.12 0.00 108.12 516.46	0.00 516.46



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Unreal G/L Total Income
3135G0N33	FNMA Note 0.875% Due 08/02/2019	Various 08/02/2016 350,000.00	349,657.16 0.00 0.00 349,670.15	1,012.32 0.00 1,267.54 255.22	12.99 0.00 12.99 268.21	0.00 268.21
3135G0TG8	FNMA Note 0.875% Due 02/08/2018	06/12/2015 06/15/2015 1,500,000.00	1,498,130.28 0.00 0.00 1,498,352.87	4,119.79 0.00 5,213.54 1,093.75	222.59 0.00 222.59 1,316.34	0.00 1,316.34
3135G0WJ8	FNMA Note 0.875% Due 05/21/2018	05/26/2015 05/27/2015 1,500,000.00	1,497,422.94 0.00 0.00 1,497,641.34	364.58 0.00 1,458.33 1,093.75	218.40 0.00 218.40 1,312.15	0.00 1,312.15
3137EADV8	FHLMC Note 0.75% Due 07/14/2017	10/30/2015 11/02/2015 1,000,000.00	1,000,046.40 0.00 0.00 1,000,014.03	2,854.17 0.00 3,479.17 625.00	0.00 32.37 (32.37) 592.63	0.00 592.63
3137EAEA3	FHLMC Note 0.75% Due 04/09/2018	04/06/2016 04/07/2016 1,250,000.00	1,249,163.52 0.00 0.00 1,249,243.95	1,354.17 0.00 2,135.42 781.25	80.43 0.00 80.43 861.68	0.00 861.68
9128282C3	US Treasury Note 0.75% Due 08/31/2018	02/21/2017 02/22/2017 1,500,000.00	1,493,890.11 0.00 0.00 1,494,292.08	2,843.07 0.00 3,760.19 917.12	401.97 0.00 401.97 1,319.09	0.00 1,319.09
912828K82	US Treasury Note 1% Due 08/15/2018	04/19/2016 04/20/2016 750,000.00	751,523.22 0.00 0.00 751,419.36	2,196.13 0.00 2,817.68 621.55	0.00 103.86 (103.86) 517.69	0.00 517.69
912828R93	US Treasury Note 0.625% Due 06/30/2018	Various Various 1,750,000.00	1,741,088.00 0.00 0.00 1,741,766.58	4,592.54 5,468.75 29.72 905.93	678.58 0.00 678.58 1,584.51	0.00 1,584.51
912828RH5	US Treasury Note 1.375% Due 09/30/2018	01/31/2017 01/31/2017 750,000.00	752,699.54 0.00 0.00 752,532.90	1,746.93 0.00 2,592.21 845.28	0.00 166.64 (166.64) 678.64	0.00 678.64
912828S68	US Treasury Note 0.75% Due 07/31/2018	12/28/2016 12/29/2016 750,000.00	746,260.04 0.00 0.00 746,524.04	1,880.18 0.00 2,346.34 466.16	264.00 0.00 264.00 730.16	0.00 730.16
912828TW0	US Treasury Note 0.75% Due 10/31/2017	04/23/2015 04/24/2015 1,000,000.00	999,936.09 0.00 0.00 999,948.70	652.17 0.00 1,263.59 611.42	12.61 0.00 12.61 624.03	0.00 624.03



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Unreal G/L Total Income
912828U40	US Treasury Note 1% Due 11/30/2018	02/15/2017 02/16/2017 1,000,000.00	996,692.86 0.00 0.00 996,874.24	27.32 0.00 846.99 819.67	181.38 0.00 181.38 1,001.05	0.00 1,001.05
912828UA6	US Treasury Note 0.625% Due 11/30/2017	12/21/2015 12/22/2015 1,000,000.00	998,155.83 0.00 0.00 998,459.82	17.08 0.00 529.37 512.29	303.99 0.00 303.99 816.28	0.00 816.28
912828UE8	US Treasury Note 0.75% Due 12/31/2017	12/18/2015 12/21/2015 1,000,000.00	998,417.75 0.00 0.00 998,640.60	3,149.17 3,750.00 20.38 621.21	222.85 0.00 222.85 844.06	0.00 844.06
912828UJ7	US Treasury Note 0.875% Due 01/31/2018	03/17/2015 03/18/2015 1,500,000.00	1,498,421.70 0.00 0.00 1,498,615.76	4,387.09 0.00 5,474.79 1,087.70	194.06 0.00 194.06 1,281.76	0.00 1,281.76
912828UU2	US Treasury Note 0.75% Due 03/31/2018	12/15/2016 12/16/2016 1,000,000.00	997,080.95 0.00 0.00 997,369.96	1,270.49 0.00 1,885.25 614.76	289.01 0.00 289.01 903.77	0.00 903.77
912828UZ1	US Treasury Note 0.625% Due 04/30/2018	12/21/2016 12/23/2016 1,000,000.00	996,097.28 0.00 0.00 996,448.88	543.48 0.00 1,052.99 509.51	351.60 0.00 351.60 861.11	0.00 861.11
912828V56	US Treasury Note 1.125% Due 01/31/2019	01/31/2017 01/31/2017 750,000.00	749,000.02 0.00 0.00 749,049.28	2,820.27 0.00 3,519.51 699.24	49.26 0.00 49.26 748.50	0.00 748.50
912828VE7	US Treasury Note 1% Due 05/31/2018	04/19/2016 04/20/2016 1,000,000.00	1,001,993.31 0.00 0.00 1,001,829.03	27.32 0.00 846.99 819.67	0.00 164.28 (164.28) 655.39	0.00 655.39
912828WP1	US Treasury Note Due 06/15/2017	07/01/2014 07/02/2014 0.00	999,998.52 0.00 1,000,000.00 0.00	4,038.46 4,375.00 0.00 336.54	1.48 0.00 1.48 338.02	0.00 338.02
			28,626,748.20	63,461.69	3,600.14	
			2,005,620.00	17,798.61	1,294.17	
			1,000,000.00	68,578.38	2,305.97	
TOTAL Fixed Income		29,650,000.00	29,634,674.17	22,915.30	25,221.27	0.00 25,221.27



Income Earned

5/31/17 Thru 6/30/17

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Unreal G/L Total Income
Cash & Equivalent						
06538BVB6	Bank of Tokyo Mitsubishi NY Discount CP 1.22% Due 08/11/2017	04/11/2017 04/11/2017	995,865.56 0.00 0.00 995,865.56	1,728.33 0.00 2,745.00 1,016.67	0.00 0.00 0.00 1,016.67	0.00 0.00 0.00 1,016.67
21687AXX6	Rabobank Nederland NV NY Discount CP 1.28% Due 10/31/2017	02/03/2017 02/03/2017	990,400.00 0.00 0.00 990,400.00	4,195.56 0.00 5,262.22 1,066.66	0.00 0.00 0.00 1,066.66	0.00 0.00 0.00 1,066.66
36164KAP6	GE Capital Treasury LLC Discount CP 1.28% Due 01/23/2018	06/26/2017 06/26/2017	0.00 992,497.78 0.00 992,497.78	0.00 0.00 177.78 177.78	0.00 0.00 0.00 177.78	0.00 0.00 0.00 177.78
89233GT97	Toyota Motor Credit Discount CP Due 06/09/2017	09/13/2016 09/13/2016 0.00	990,734.44 0.00 990,734.44 0.00	8,990.00 9,265.56 0.00 275.56	0.00 0.00 0.00 275.56	0.00 0.00 0.00 275.56
89233HC69	Toyota Motor Credit Discount CP 1.4% Due 03/06/2018	06/09/2017 06/09/2017	0.00 989,500.00 0.00 989,500.00	0.00 0.00 855.56 855.56	0.00 0.00 0.00 855.56	0.00 0.00 0.00 855.56
90CASH\$02	LSVL Cash Accounts	Various Various	4,834,040.03 0.00 2,990,528.75 1,843,511.28	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00
90COMB\$00	LSVL Compensating Balance Account	Various Various	1,900,425.48 37,493.35 0.00 1,937,918.83	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00
TOTAL Cash & Equivalent			7,781,430.11	3,392.23	3,392.23	0.00

Investment Pool						
90LGIP\$00	LGIP Local Govt Investment Pool	Various Various	38,288,321.73 2,812,269.56 0.00 41,100,591.29	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00



Income Earned

5/31/17 Thru 6/30/17

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Unreal G/L Total Income
99CSAFE\$0	CSAFE Investment Pool		150,202.09	0.00	0.00	
		Various	2,012,287.58	108.97	0.00	
		Various	1,983,315.84	0.00	0.00	0.00
		179,173.83	179,173.83	108.97	108.97	108.97
			38,438,523.82	0.00	0.00	
			4,824,557.14	108.97	0.00	
			1,983,315.84	0.00	0.00	0.00
TOTAL Investment Pool		41,279,765.12	41,279,765.12	108.97	108.97	108.97
			76,776,737.53	78,375.58	3,600.14	
			8,849,668.27	27,173.14	1,294.17	
			6,964,579.03	77,618.94	2,305.97	
TOTAL PORTFOLIO		78,711,195.23	78,664,132.74	26,416.50	28,722.47	0.00
						28,722.47



Cash Flow Report

From 06/30/2017

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
07/05/2017	Interest	3133EGJS5	700,000.00	FFCB Note 0.7% Due 7/5/2018	0.00	2,450.00	2,450.00
07/14/2017	Maturity	3137EADV8	1,000,000.00	FHLMC Note 0.75% Due 7/14/2017	1,000,000.00	3,750.00	1,003,750.00
07/31/2017	Interest	912828V56	750,000.00	US Treasury Note 1.125% Due 1/31/2019	0.00	4,218.75	4,218.75
07/31/2017	Interest	912828S68	750,000.00	US Treasury Note 0.75% Due 7/31/2018	0.00	2,812.50	2,812.50
07/31/2017	Interest	912828UJ7	1,500,000.00	US Treasury Note 0.875% Due 1/31/2018	0.00	6,562.50	6,562.50
Jul 2017					1,000,000.00	19,793.75	1,019,793.75
08/02/2017	Interest	3135G0N33	350,000.00	FNMA Note 0.875% Due 8/2/2019	0.00	1,531.25	1,531.25
08/04/2017	Interest	037833CB4	750,000.00	Apple Inc Note 1.1% Due 8/2/2019	0.00	4,125.00	4,125.00
08/08/2017	Interest	3135G0TG8	1,500,000.00	FNMA Note 0.875% Due 2/8/2018	0.00	6,562.50	6,562.50
08/11/2017	Maturity	06538BVB6	1,000,000.00	Bank of Tokyo Mitsubishi NY Discount CP 1.22% Due 8/11/2017	995,865.56	4,134.44	1,000,000.00
08/15/2017	Interest	084664BY6	500,000.00	Berkshire Hathaway Note 2% Due 8/15/2018	0.00	5,000.00	5,000.00
08/15/2017	Interest	912828K82	750,000.00	US Treasury Note 1% Due 8/15/2018	0.00	3,750.00	3,750.00
08/31/2017	Interest	912828C3	1,500,000.00	US Treasury Note 0.75% Due 8/31/2018	0.00	5,625.00	5,625.00
Aug 2017					995,865.56	30,728.19	1,026,593.75
09/06/2017	Interest	30231GAL6	1,500,000.00	Exxon Mobil Corp Note 1.305% Due 3/6/2018	0.00	9,787.50	9,787.50
09/08/2017	Interest	3133782M2	1,000,000.00	FHLB Note 1.5% Due 3/8/2019	0.00	7,500.00	7,500.00
09/30/2017	Interest	912828RH5	750,000.00	US Treasury Note 1.375% Due 9/30/2018	0.00	5,156.25	5,156.25
09/30/2017	Interest	912828UU2	1,000,000.00	US Treasury Note 0.75% Due 3/31/2018	0.00	3,750.00	3,750.00
Sep 2017					0.00	26,193.75	26,193.75
10/05/2017	Interest	3133EFX69	1,100,000.00	FFCB Note 0.96% Due 10/5/2018	0.00	5,280.00	5,280.00
10/09/2017	Interest	3137EAEA3	1,250,000.00	FHLMC Note 0.75% Due 4/9/2018	0.00	4,687.50	4,687.50



Cash Flow Report

From 06/30/2017

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
10/25/2017	Interest	3130A4GJ5	750,000.00	FHLB Note 1.125% Due 4/25/2018	0.00	4,218.75	4,218.75
10/31/2017	Interest	912828UZ1	1,000,000.00	US Treasury Note 0.625% Due 4/30/2018	0.00	3,125.00	3,125.00
10/31/2017	Maturity	21687AXX6	1,000,000.00	Rabobank Nederland NV NY Discount CP 1.28% Due 10/31/2017	990,400.00	9,600.00	1,000,000.00
10/31/2017	Maturity	912828TW0	1,000,000.00	US Treasury Note 0.75% Due 10/31/2017	1,000,000.00	3,750.00	1,003,750.00
Oct 2017					1,990,400.00	30,661.25	2,021,061.25
11/21/2017	Interest	3135G0WJ8	1,500,000.00	FNMA Note 0.875% Due 5/21/2018	0.00	6,562.50	6,562.50
11/28/2017	Interest	3130ABF92	1,000,000.00	FHLB Note 1.375% Due 5/28/2019	0.00	7,486.11	7,486.11
11/30/2017	Interest	912828U40	1,000,000.00	US Treasury Note 1% Due 11/30/2018	0.00	5,000.00	5,000.00
11/30/2017	Interest	912828VE7	1,000,000.00	US Treasury Note 1% Due 5/31/2018	0.00	5,000.00	5,000.00
11/30/2017	Maturity	912828UA6	1,000,000.00	US Treasury Note 0.625% Due 11/30/2017	1,000,000.00	3,125.00	1,003,125.00
Nov 2017					1,000,000.00	27,173.61	1,027,173.61
12/14/2017	Interest	313379EE5	1,000,000.00	FHLB Note 1.625% Due 6/14/2019	0.00	8,125.00	8,125.00
12/14/2017	Interest	313376BR5	1,000,000.00	FHLB Note 1.75% Due 12/14/2018	0.00	8,750.00	8,750.00
12/31/2017	Interest	912828R93	1,750,000.00	US Treasury Note 0.625% Due 6/30/2018	0.00	5,468.75	5,468.75
12/31/2017	Maturity	912828UE8	1,000,000.00	US Treasury Note 0.75% Due 12/31/2017	1,000,000.00	3,750.00	1,003,750.00
Dec 2017					1,000,000.00	26,093.75	1,026,093.75
01/05/2018	Interest	3133EGJS5	700,000.00	FFCB Note 0.7% Due 7/5/2018	0.00	2,450.00	2,450.00
01/23/2018	Maturity	36164KAP6	1,000,000.00	GE Capital Treasury LLC Discount CP 1.28% Due 1/23/2018	992,497.78	7,502.22	1,000,000.00
01/31/2018	Interest	912828S68	750,000.00	US Treasury Note 0.75% Due 7/31/2018	0.00	2,812.50	2,812.50
01/31/2018	Interest	912828V56	750,000.00	US Treasury Note 1.125% Due 1/31/2019	0.00	4,218.75	4,218.75
01/31/2018	Maturity	912828UJ7	1,500,000.00	US Treasury Note 0.875% Due 1/31/2018	1,500,000.00	6,562.50	1,506,562.50
Jan 2018					2,492,497.78	23,545.97	2,516,043.75



Cash Flow Report

From 06/30/2017

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
02/02/2018	Interest	3135G0N33	350,000.00	FNMA Note 0.875% Due 8/2/2019	0.00	1,531.25	1,531.25
02/04/2018	Interest	037833CB4	750,000.00	Apple Inc Note 1.1% Due 8/2/2019	0.00	4,125.00	4,125.00
02/08/2018	Maturity	3135G0TG8	1,500,000.00	FNMA Note 0.875% Due 2/8/2018	1,500,000.00	6,562.50	1,506,562.50
02/15/2018	Interest	084664BY6	500,000.00	Berkshire Hathaway Note 2% Due 8/15/2018	0.00	5,000.00	5,000.00
02/15/2018	Interest	912828K82	750,000.00	US Treasury Note 1% Due 8/15/2018	0.00	3,750.00	3,750.00
02/28/2018	Interest	912828C3	1,500,000.00	US Treasury Note 0.75% Due 8/31/2018	0.00	5,625.00	5,625.00
Feb 2018					1,500,000.00	26,593.75	1,526,593.75
03/06/2018	Maturity	30231GAL6	1,500,000.00	Exxon Mobil Corp Note 1.305% Due 3/6/2018	1,500,000.00	9,787.50	1,509,787.50
03/06/2018	Maturity	89233HC69	1,000,000.00	Toyota Motor Credit Discount CP 1.4% Due 3/6/2018	989,500.00	10,500.00	1,000,000.00
03/08/2018	Interest	3133782M2	1,000,000.00	FHLB Note 1.5% Due 3/8/2019	0.00	7,500.00	7,500.00
03/31/2018	Interest	912828RH5	750,000.00	US Treasury Note 1.375% Due 9/30/2018	0.00	5,156.25	5,156.25
03/31/2018	Maturity	912828UU2	1,000,000.00	US Treasury Note 0.75% Due 3/31/2018	1,000,000.00	3,750.00	1,003,750.00
Mar 2018					3,489,500.00	36,693.75	3,526,193.75
04/05/2018	Interest	3133EFX69	1,100,000.00	FFCB Note 0.96% Due 10/5/2018	0.00	5,280.00	5,280.00
04/09/2018	Maturity	3137EAEA3	1,250,000.00	FHLMC Note 0.75% Due 4/9/2018	1,250,000.00	4,687.50	1,254,687.50
04/25/2018	Maturity	3130A4GJ5	750,000.00	FHLB Note 1.125% Due 4/25/2018	750,000.00	4,218.75	754,218.75
04/30/2018	Maturity	912828UZ1	1,000,000.00	US Treasury Note 0.625% Due 4/30/2018	1,000,000.00	3,125.00	1,003,125.00
Apr 2018					3,000,000.00	17,311.25	3,017,311.25
05/21/2018	Maturity	3135G0WJ8	1,500,000.00	FNMA Note 0.875% Due 5/21/2018	1,500,000.00	6,562.50	1,506,562.50
05/28/2018	Interest	3130ABF92	1,000,000.00	FHLB Note 1.375% Due 5/28/2019	0.00	6,875.00	6,875.00
05/31/2018	Interest	912828U40	1,000,000.00	US Treasury Note 1% Due 11/30/2018	0.00	5,000.00	5,000.00



Cash Flow Report

From 06/30/2017

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
05/31/2018	Maturity	912828VE7	1,000,000.00	US Treasury Note 1% Due 5/31/2018	1,000,000.00	5,000.00	1,005,000.00
May 2018					2,500,000.00	23,437.50	2,523,437.50
06/14/2018	Interest	313376BR5	1,000,000.00	FHLB Note 1.75% Due 12/14/2018	0.00	8,750.00	8,750.00
06/14/2018	Interest	313379EE5	1,000,000.00	FHLB Note 1.625% Due 6/14/2019	0.00	8,125.00	8,125.00
06/30/2018	Maturity	912828R93	1,750,000.00	US Treasury Note 0.625% Due 6/30/2018	1,750,000.00	5,468.75	1,755,468.75
Jun 2018					1,750,000.00	22,343.75	1,772,343.75
Total					20,718,263.34	310,570.27	21,028,833.61

City of Louisville

Period Ending
June 30, 2017



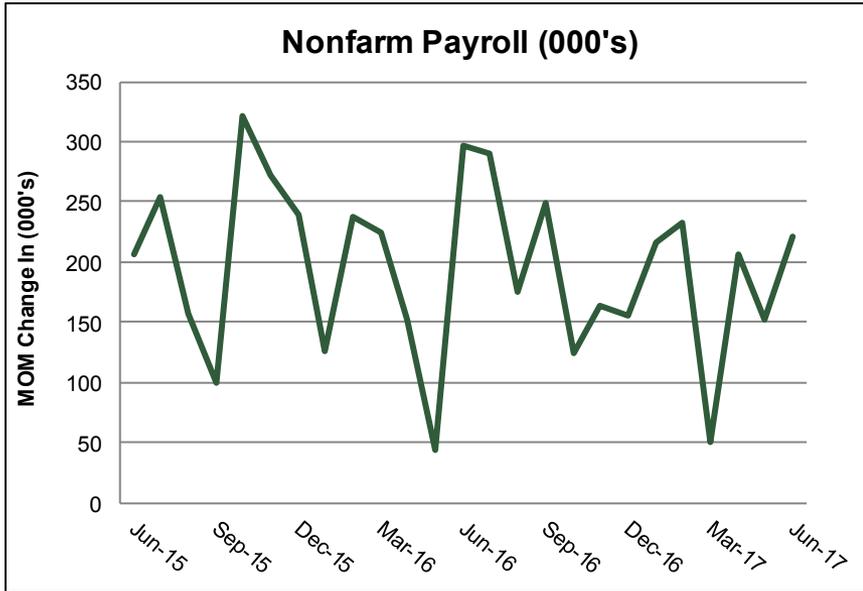
SECTION 1	Economic Update
SECTION 2	Account Profile
SECTION 3	Portfolio Holdings
SECTION 4	Transactions

SECTION 1

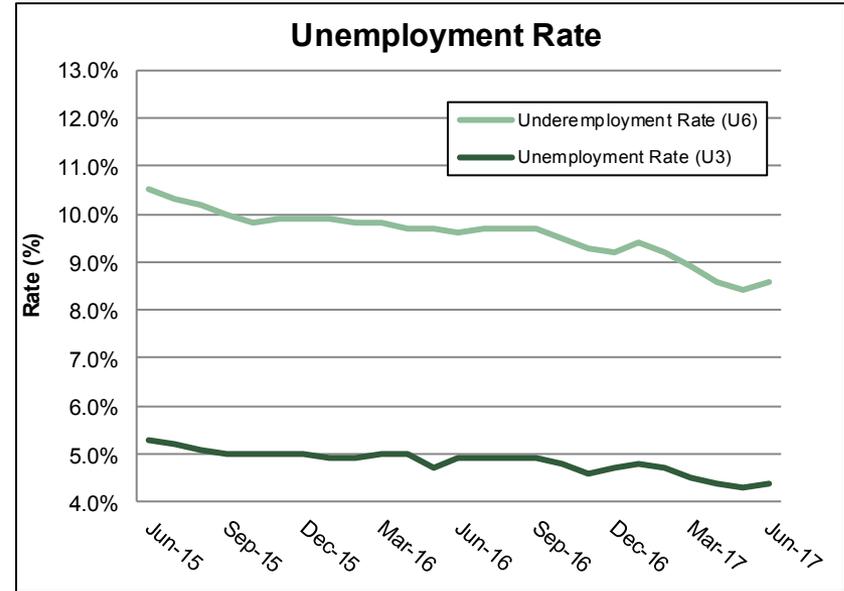
Economic Update



- The Federal Open Market Committee (FOMC) raised the fed funds target rate by 25 basis points to a range of 1.00%-1.25% at the June 13-14 meeting. However, the FOMC statement indicated that the stance of monetary policy remains accommodative. The FOMC also noted that economic activity has been rising moderately and job gains have been solid, but inflation has recently declined. Nevertheless, the FOMC expects inflation to stabilize around 2.0% over the medium term. The Committee expects to begin trimming the Fed's balance sheet later this year. The Fed's updated Summary of Economic Projections reflects downward revisions to the Fed's median unemployment rate projections for this year and future years, as well as a downward revision to the Fed's median 2017 inflation forecast. The updated projections suggest that the Fed anticipates the labor market to tighten further over the coming years without much impact on inflation. The Fed still expects the fed funds rate to reach 1.4% by the end of this year (which implies one more rate hike before year-end) and 3.0% over the longer-run.
- Domestic economic data remains indicative of slow growth. The economy is likely at or near full employment, consumer confidence is strong, manufacturing indicators are indicative of modest expansion, and housing trends remain favorable. Looking ahead, a potential boost in fiscal stimulus could provide a further tailwind to economic growth. GDP grew by 1.4% in the first quarter, following growth of 2.1% in the fourth quarter. We expect modest economic growth of about 2.0%-2.5% for the full year 2017.
- Treasury yields increased modestly in June, led by the 5-year note. The 2-year and 10-year Treasury yields both increased by ten basis points month-over-month, while the 5-year Treasury yield increased 14 basis points. The move higher in domestic yields occurred late in the month, coinciding with hawkish comments from ECB President Draghi. His comments also provided a catalyst for sovereign yields in Germany and Japan to move higher. On a year-over-year basis, Treasury yields have increased meaningfully, with the 2-year Treasury yield up 80 basis points and the 10-year Treasury yield up 83 basis points. The Federal Reserve has raised the fed funds target rate by 25 basis points three times in the past year.

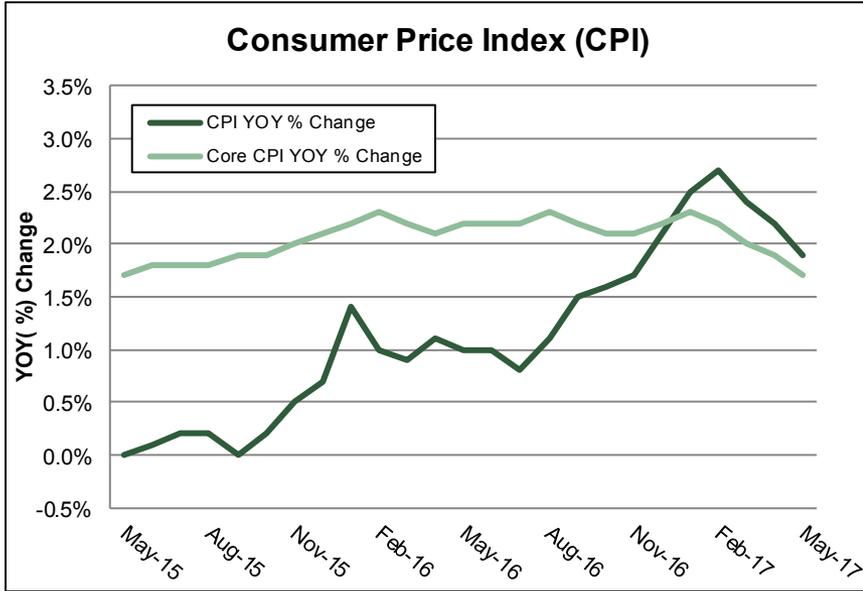


Source: US Department of Labor

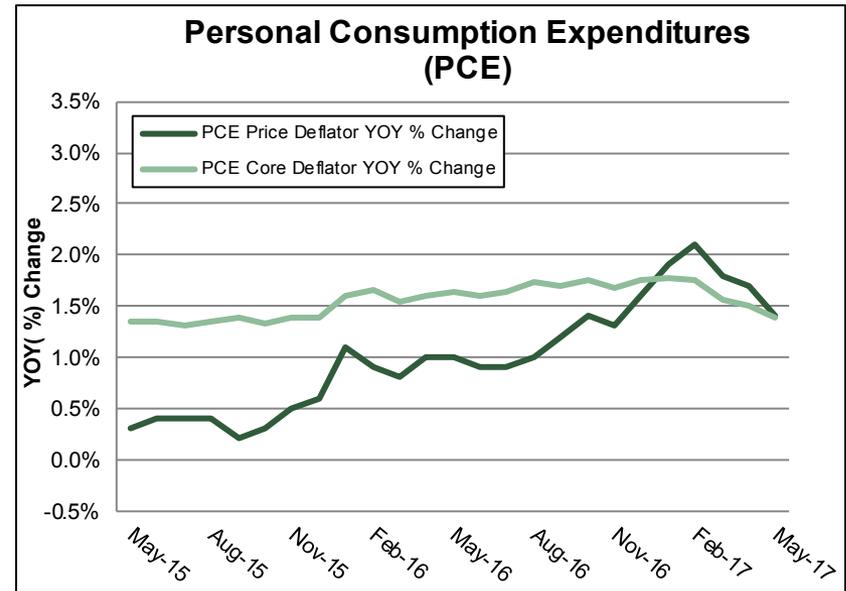


Source: US Department of Labor

Job growth was stronger than expected in June but wages remained lackluster. Nonfarm payrolls increased by 222,000 versus the consensus forecast of 178,000. In addition, April and May payrolls were revised up by 47,000 in total. The average increase in monthly payrolls was 194,000 during the second quarter, up from 166,000 per month during the first quarter. The unemployment rate ticked up to 4.4% in June from 4.3% in May, but the labor participation rate also edged up to 62.8% from 62.7%. A broader measure of unemployment called the U-6, which includes those who are marginally attached to the labor force and employed part time for economic reasons, increased to 8.6% in June from 8.4% in May, however this compares to 9.6% in June 2016. Wage growth rose just 0.2% in June, following a downwardly revised gain of 0.1% in May. On a year-over-year basis, wages were up 2.5% in June, versus 2.4% in May.

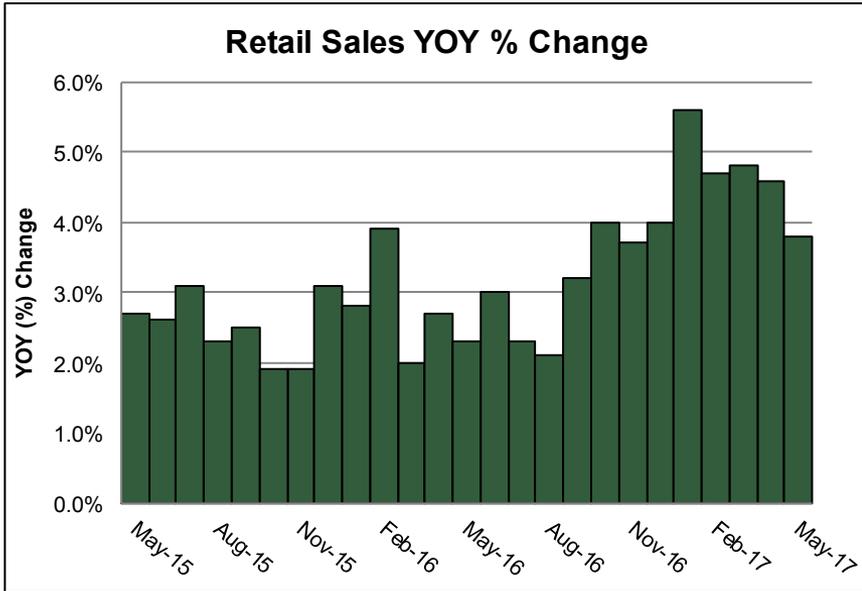


Source: US Department of Labor



Source: US Department of Labor

The Consumer Price Index (CPI) was up 1.9% year-over-year in May, versus up 2.2% year-over-year in April. Core CPI (CPI less food and energy) was up just 1.7% year-over-year in May, versus up 1.9% year-over-year in April. The Personal Consumption Expenditures (PCE) index was up 1.4% year-over-year in May, versus up 1.7% year-over-year in April. Core PCE (excluding food and energy) was also up just 1.4% year-over-year in May, versus up 1.5% year-over-year in April. Core CPI is has fallen back below the Fed's 2.0% target, and the Fed's primary inflation gauge (PCE) also remains below the target.

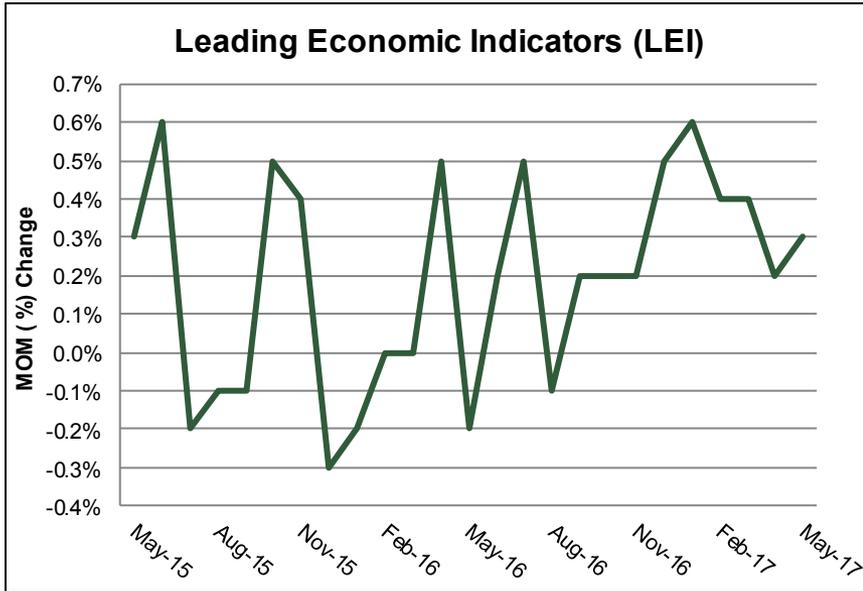


Source: US Department of Commerce

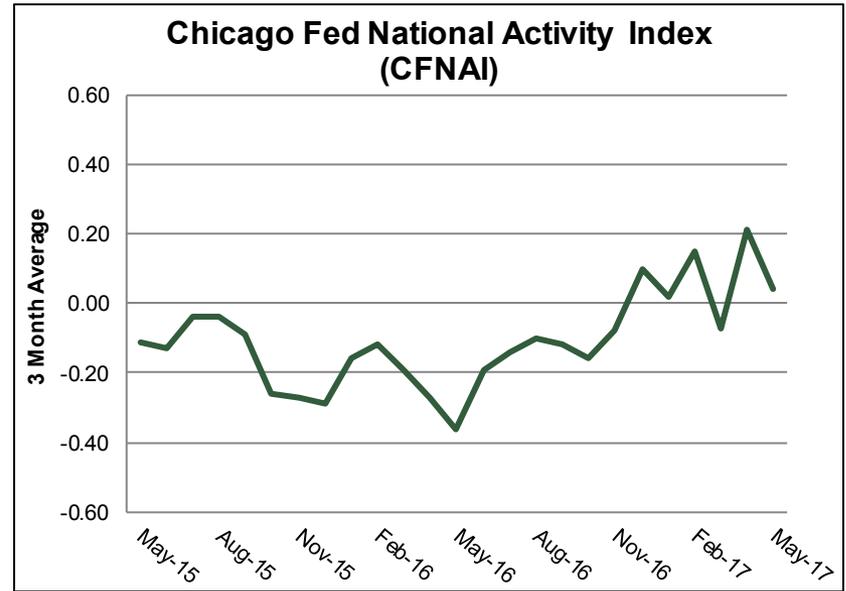


Source: Federal Reserve

On a year-over-year basis, total retail sales were up 3.8% in May compared with a 4.6% increase in April. On a month-over-month basis, retail sales declined 0.3% in May, below expectations for a 0.1% increase, following a 0.4% increase in April. Excluding autos and gas, retail sales were flat in May, following a 0.5% gain in April. Overall, consumer spending trends remain soft. However, the consumer confidence index remained strong in June at 118.9 versus 117.6 in May.

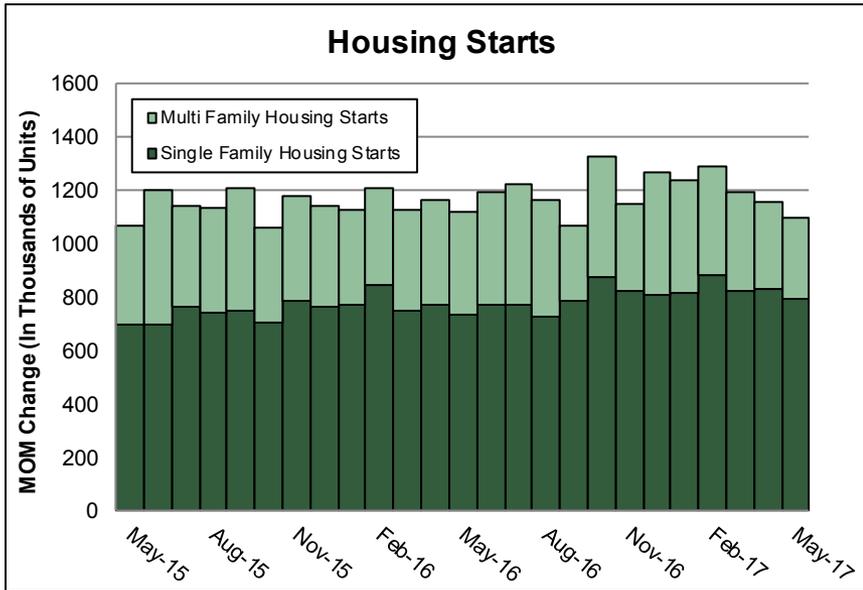


Source: The Conference Board

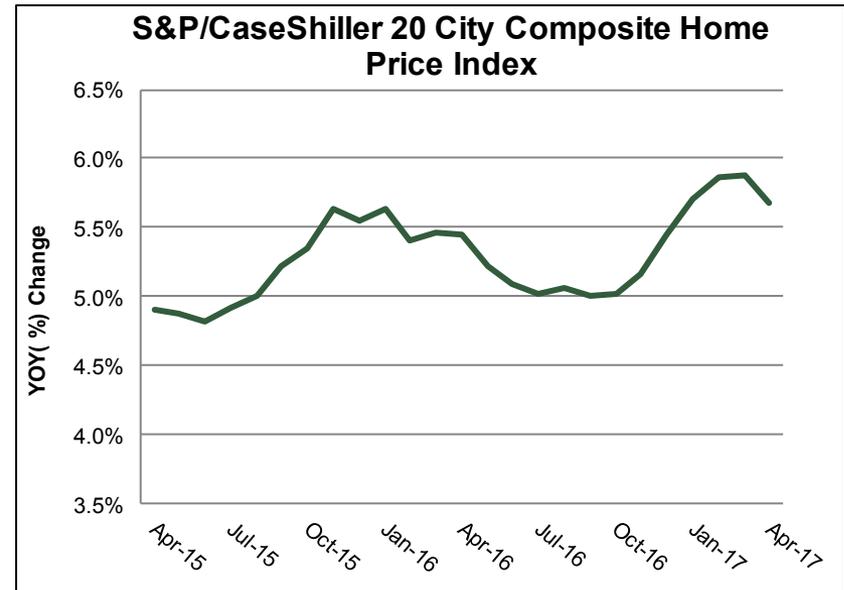


Source: Federal Reserve Bank of Chicago

The Index of Leading Economic Indicators (LEI) rose 0.3% in May, in line with expectations, following a 0.2% increase in April. According to the Conference Board, the LEI suggests economic growth will remain on, or possibly moderately above, its long-term trend of about 2% growth through year-end. However, the Chicago Fed National Activity Index (CFNAI) declined to 0.04 in May on a 3-month moving average basis from 0.21 in April. The index declined meaningfully in May, which weighed on the three month moving average.

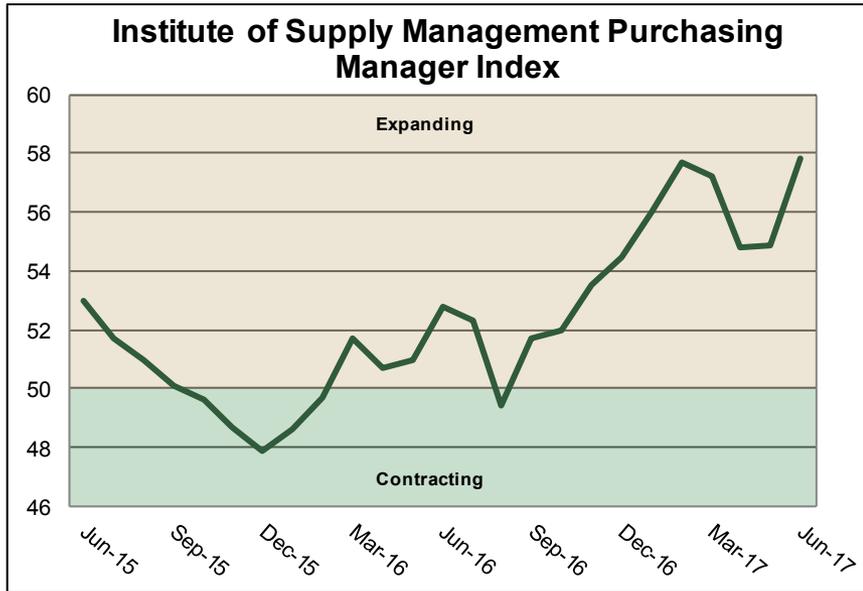


Source: US Census Bureau

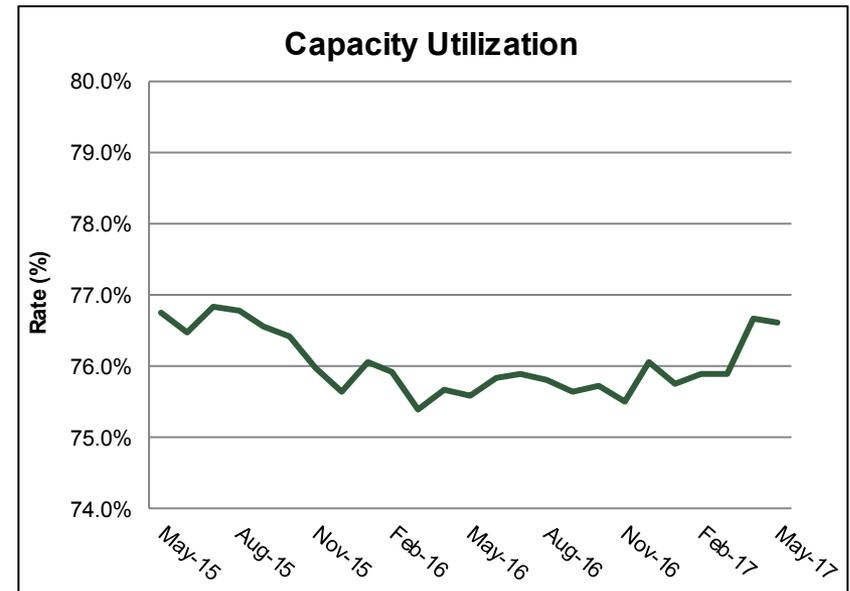


Source: S&P

Total housing starts fell 5.5% in May, following a 2.8% decrease in April, missing expectations. Single-family starts declined 3.9% in May, and multi-family starts fell 9.7%. Permits were also weaker than expected in May, down 4.9%. According to the Case-Shiller 20-City home price index, home prices were up 5.7% year-over-year in April, versus up 5.9% year-over-year in March.



Source: Institute for Supply Management



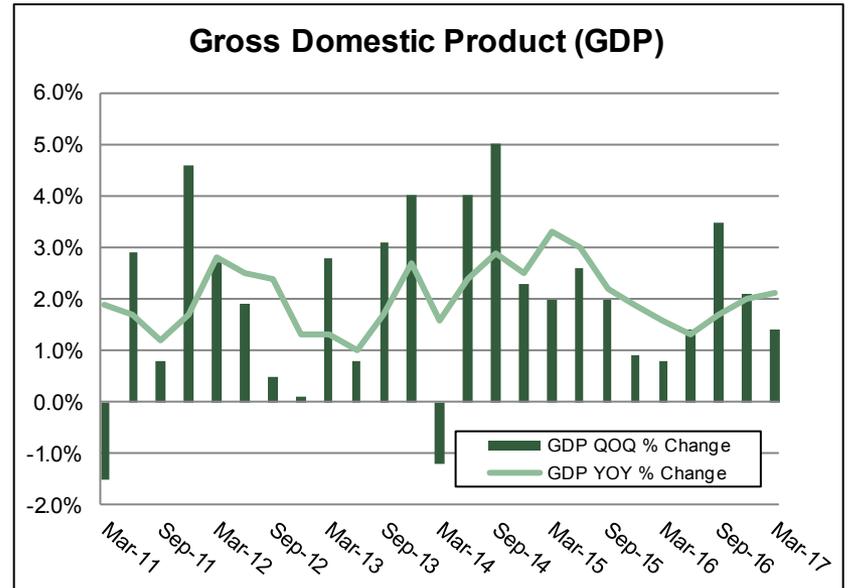
Source: Federal Reserve

The Institute for Supply Management (ISM) manufacturing index increased to 57.8 in June from 54.9 in May, suggesting that manufacturing activity is accelerating. The report was stronger than expected. Notably, a reading above 50.0 suggests the manufacturing sector is expanding. However, capacity utilization, which is production divided by capacity, decreased to 76.6% in May from 76.7% in April. The capacity utilization rate remains below the long-run average of 79.9% (1972-2016), suggesting there is still excess capacity in the industrial sector.

GA | Gross Domestic Product (GDP)

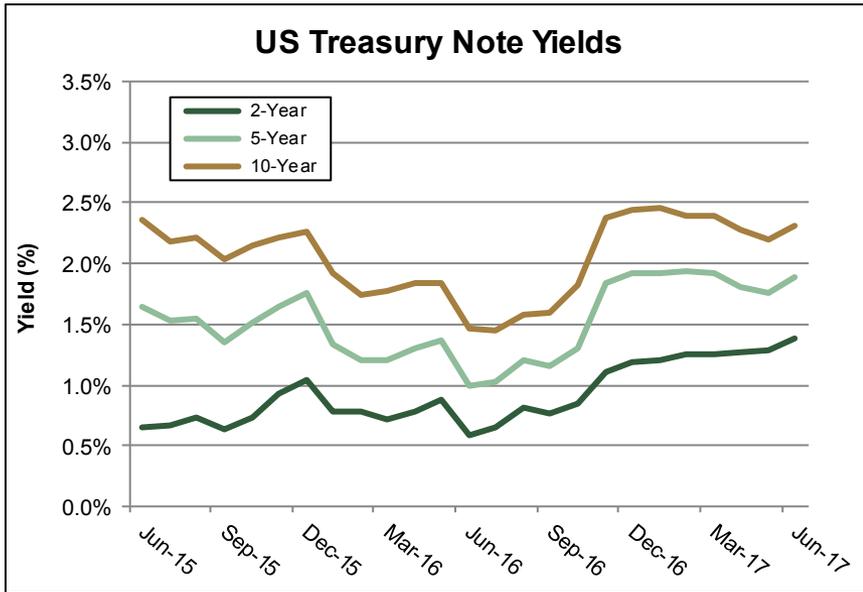
Components of GDP	6/16	9/16	12/16	3/17
Personal Consumption Expenditures	2.9%	2.0%	2.4%	0.8%
Gross Private Domestic Investment	-1.3%	0.5%	1.5%	0.6%
Net Exports and Imports	0.2%	0.9%	-1.8%	0.2%
Federal Government Expenditures	0.0%	0.2%	-0.1%	-0.1%
State and Local (Consumption and Gross Investment)	-0.3%	0.0%	0.1%	0.0%
Total	1.4%	3.5%	2.1%	1.4%

Source: US Department of Commerce

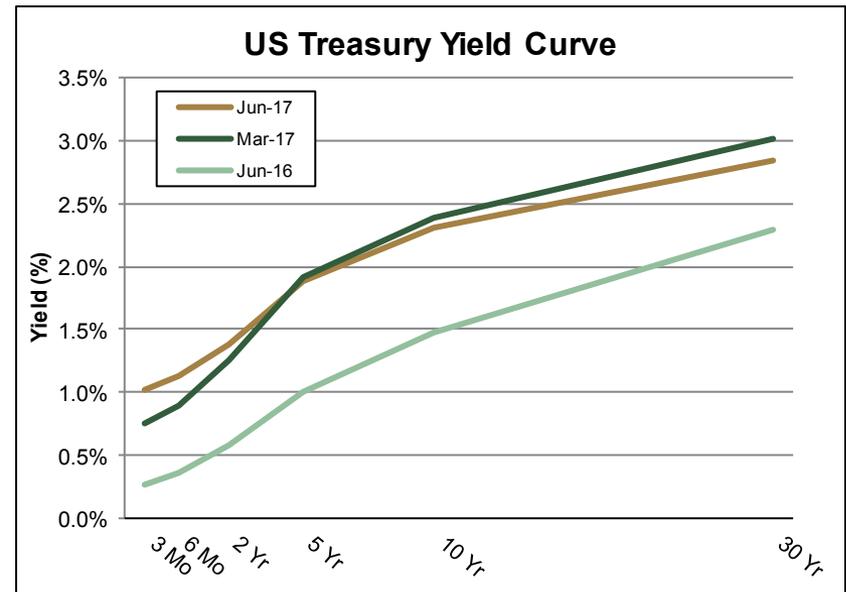


Source: US Department of Commerce

First quarter GDP growth was revised up to 1.4% from the second estimate of 1.2% and the advance estimate of 0.7%. The most recent upward revision was driven by an increase in consumer spending and net exports. Economic growth is believed to have improved in the second quarter to a pace of about 3.0%. The consensus forecast currently calls for GDP growth of about 2.4% in the third quarter.



Source: Bloomberg



Source: Bloomberg

Over the past three months the yield curve flattened. The spread between 2-year and 10-year Treasury yields narrowed to 92 basis points as of June 30, compared to 114 basis points on March 31. In the three months ending in June, the 2-year Treasury yield increased nearly 13 basis points while the 10-year Treasury yield decreased eight basis points. Immediately following the US Presidential election last fall, the Treasury yield curve steepened meaningfully, driven by heightened expectations for fiscal stimulus and economic growth under the Trump administration. However, as the post-election exuberance started to wane earlier this year, the yield curve flattened. Since the election, the 2-year Treasury yield is up about 60 basis points and the 10-year Treasury yield is up about 50 basis points.

SECTION 2

Account Profile

Investment Objectives

Safety of principal is the foremost objective of the investment program. The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.

Chandler Asset Management Performance Objective

The performance objective for the City of Louisville is to achieve an annual total return on the portfolio that exceeds the return of the 2 Year HTM Index and the Bank of America/Merrill Lynch Blended 0-3 Year Treasury Index.

Strategy

In order to achieve its objective, we will invest the City's funds in a well diversified passive portfolio comprised primarily of U.S. Treasury and Agency securities. All securities will be in compliance with the City's Investment Policies and CRS 24-75-601.



City of Louisville

June 30, 2017

COMPLIANCE WITH INVESTMENT POLICY

Assets managed by Chandler Asset Management are in full compliance with State law and with the City's investment policy.

Category	Standard	Comment
Treasury Issues	5 years maximum maturity; 5% minimum	Complies
Government Instrumentalities, GSEs	95% max inclusive of Corporate or Bank Securities, 35% max per issuer (includes FFCEB, FHLB, FHLMC, FNMA, GNMA), 3 years max maturity	Complies
Municipal Securities	A- or above by two NRSROs for Colorado GO and Revs; AA- for Non-Colorado by two NRSROs; 3 years max maturity	Complies
Banker's Acceptances	A-1,P-1, or F-1 by two NRSROs; 25% maximum; 5% max per issuer; 270 days max maturity	Complies
Commercial Paper	A-1,P-1, or F-1 by two NRSROs; 25% maximum; 5% max per issuer; 270 days max maturity	Complies
CDs	AA- rated; 25% maximum; 5% max per issuer; 5 years max maturity	Complies
US Corporate (MTNs)	AA-/Aa3 rated by two NRSROs; 25% maximum; 5% max per issuer; 3 years max maturity	Complies
Money Market Fund	AAAm rated; 20% maximum; 10% max per issuer; 100% U.S. Treasury	Complies
LGIP	AAAm rated	Complies
Repurchase Agreements	Not used by Investment Adviser	Complies
GICS	Not used by Investment Adviser	Complies
Maximum Maturity	5 years	Complies



Portfolio Characteristics

City of Louisville

	6/30/2017		3/31/2017
	Benchmark*	Portfolio	Portfolio
Average Maturity (yrs)	1.07	0.94	1.02
Modified Duration	1.06	0.93	1.01
Average Purchase Yield	n/a	1.10%	1.04%
Average Market Yield	1.25%	1.29%	1.13%
Average Quality**	AA+	AA+/Aaa	AA+/Aaa
Contributions/Withdrawals		1,998,656	
Total Market Value		33,796,515	31,736,229

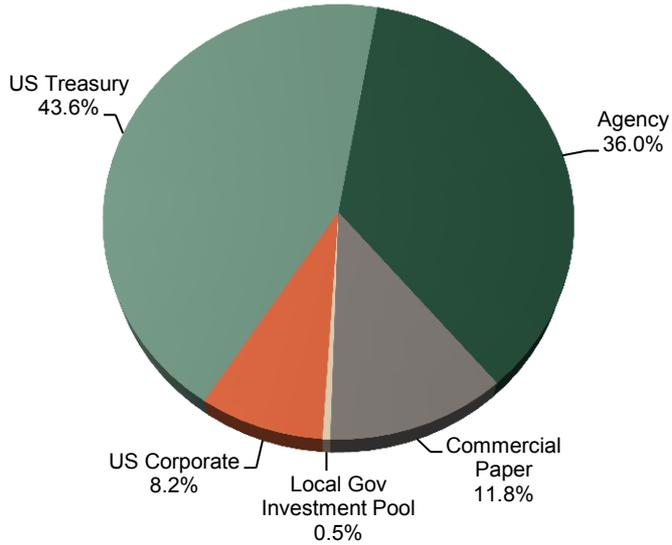
*2Yr Held-To-Maturity Treasury Index

**Benchmark is a blended rating of S&P, Moody's, and Fitch. Portfolio is S&P and Moody's respectively.

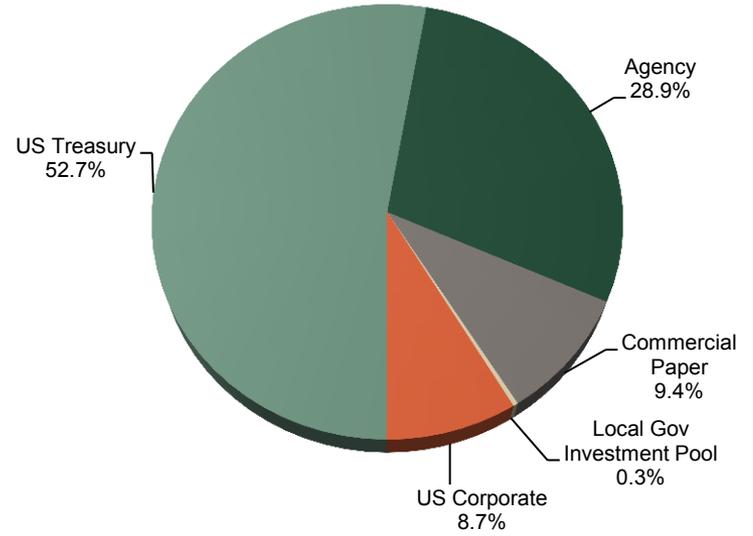


City of Louisville

June 30, 2017



March 31, 2017



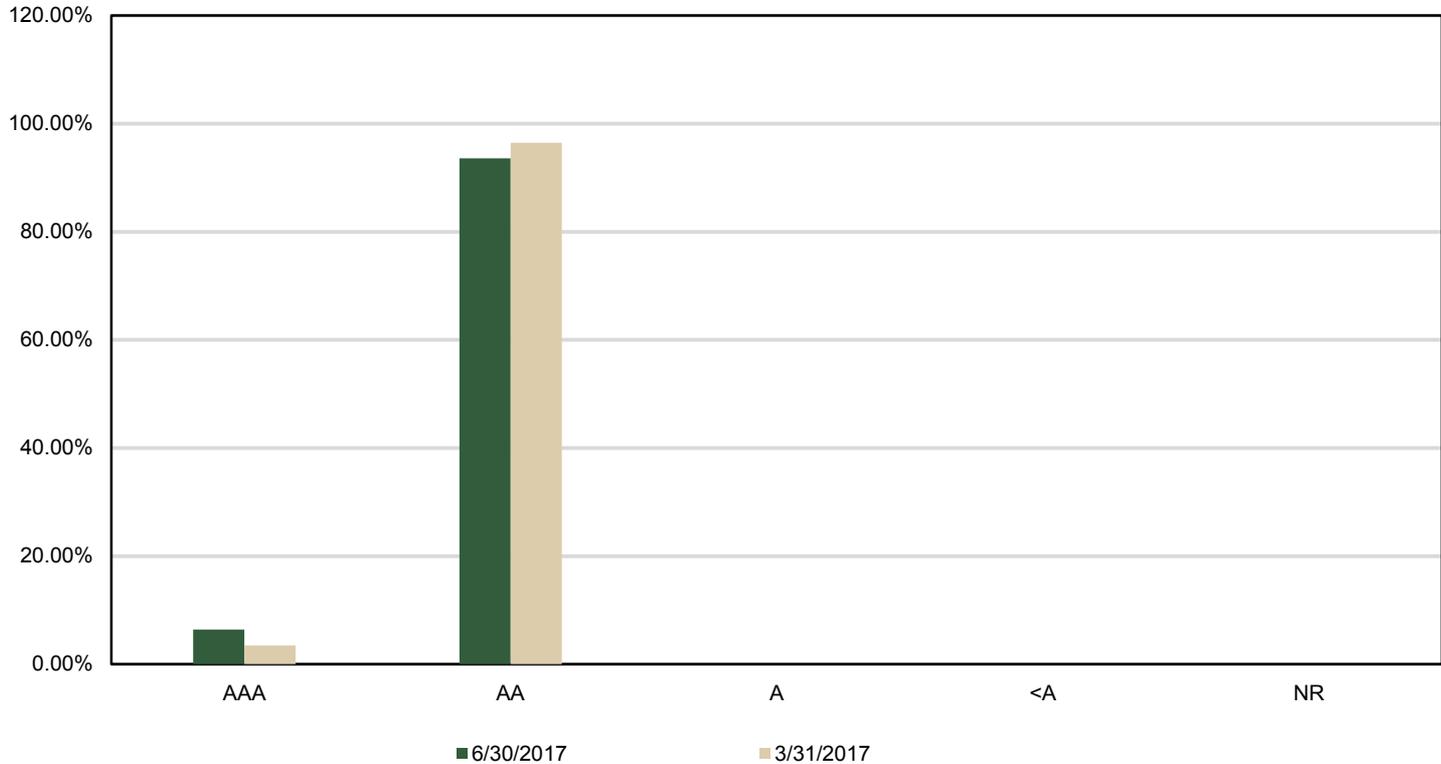
City of Louisville – Account #10236
As of 6/30/2017

Issue Name	Investment Type	% Portfolio
Government of United States	US Treasury	43.56%
Federal Home Loan Bank	Agency	14.11%
Federal National Mortgage Association	Agency	9.90%
Federal Home Loan Mortgage Corp	Agency	6.66%
Federal Farm Credit Bank	Agency	5.32%
Exxon Mobil Corp	US Corporate	4.45%
Bank of Tokyo-Mit UFJ	Commercial Paper	2.95%
Rabobank Nederland NV NY	Commercial Paper	2.95%
General Electric Co	Commercial Paper	2.94%
Toyota Motor Corp	Commercial Paper	2.93%
Apple Inc	US Corporate	2.21%
Berkshire Hathaway	US Corporate	1.50%
CSAFE Investment Pool	Local Gov Investment Pool	0.53%
Total		100.00%



City of Louisville

June 30, 2017 vs. March 31, 2017



	AAA	AA	A	<A	NR
06/30/17	6.4%	93.6%	0.0%	0.0%	0.0%
03/31/17	3.5%	96.5%	0.0%	0.0%	0.0%

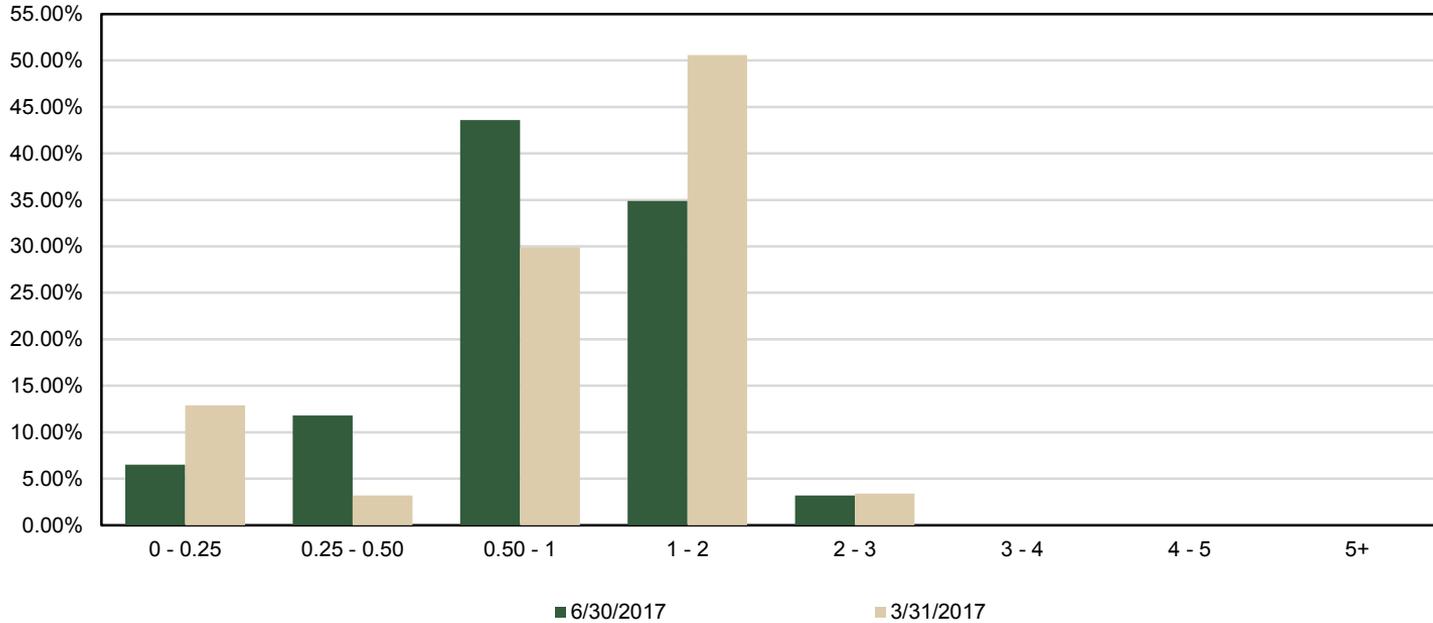
Source: S&P Ratings



Duration Distribution

City of Louisville

June 30, 2017 vs. March 31, 2017



	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
06/30/17	6.5%	11.8%	43.6%	34.9%	3.2%	0.0%	0.0%	0.0%
03/31/17	12.9%	3.2%	29.9%	50.6%	3.4%	0.0%	0.0%	0.0%



Investment Performance

City of Louisville

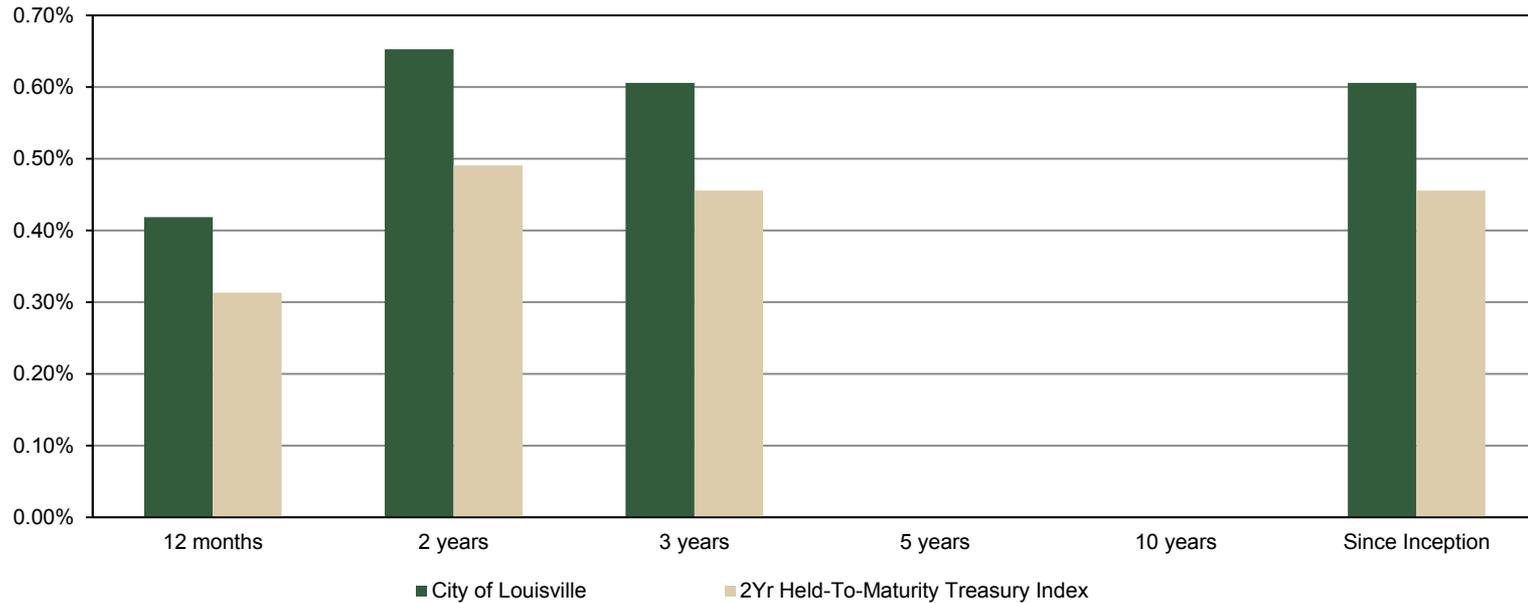
Period Ending

June 30, 2017

Total Rate of Return

Annualized Since Inception

June 30, 2014



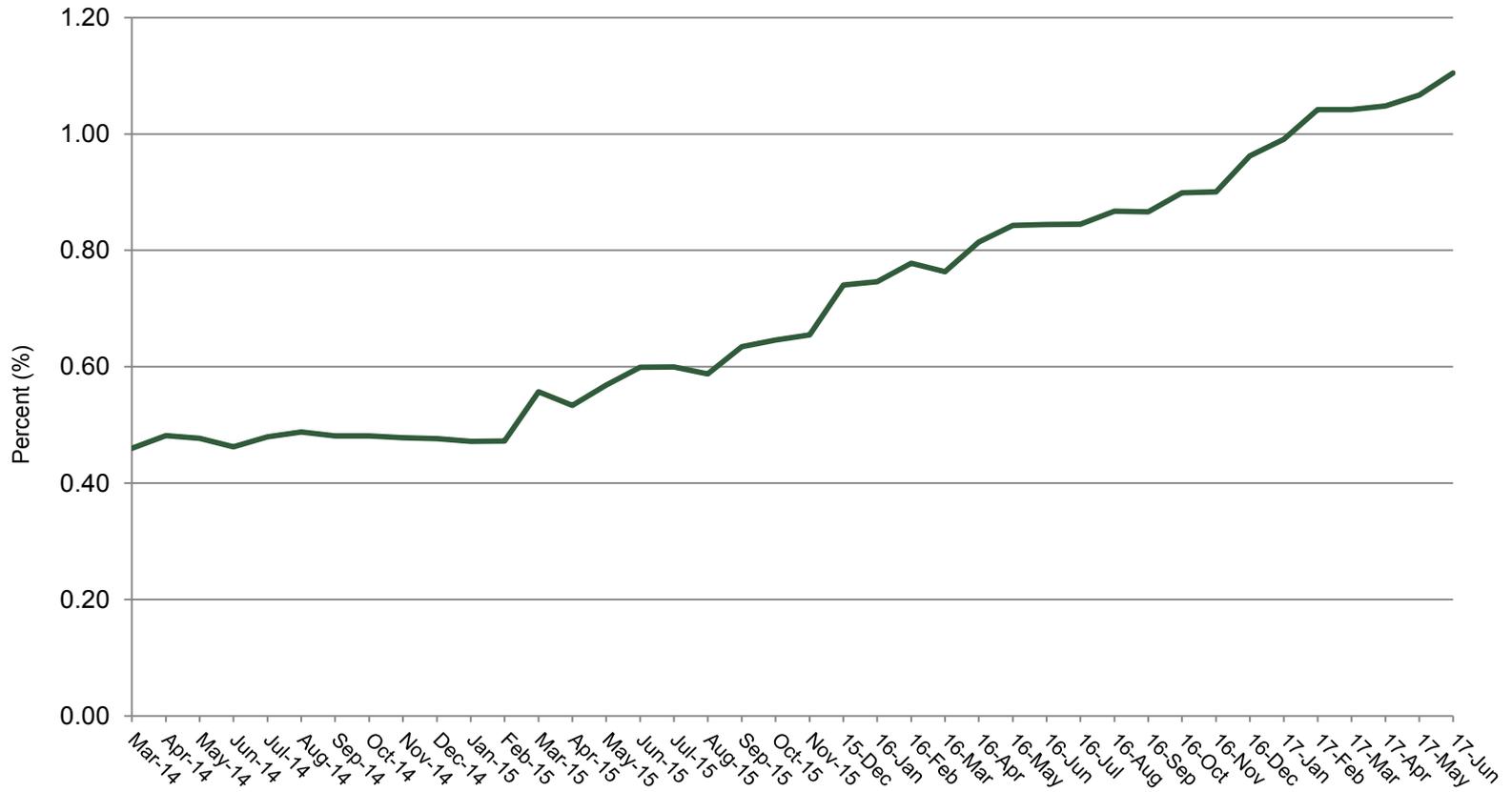
	Annualized						
	3 months	12 months	2 years	3 years	5 years	10 years	Since Inception
City of Louisville	0.19%	0.42%	0.65%	0.61%	N/A	N/A	0.61%
2Yr Held-To-Maturity Treasury Index	0.14%	0.31%	0.49%	0.46%	N/A	N/A	0.46%

Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.



Historical Average Purchase Yield

City of Louisville
Purchase Yield as of 6/30/2017 = 1.10%



SECTION 3

Portfolio Holdings



Holdings Report

City of Louisville - Account #10236

For the Month Ending 6/30/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
Agency									
3137EADV8	FHLMC Note 0.750% Due 07/14/2017	1,000,000.00	10/30/2015 0.71%	1,000,669.00 1,000,014.03	99.99 0.99%	999,904.00 3,479.17	2.97% (110.03)	Aaa / AA+ AAA	0.04 0.04
3135G0TG8	FNMA Note 0.875% Due 02/08/2018	1,500,000.00	06/12/2015 1.06%	1,492,810.50 1,498,352.87	99.80 1.20%	1,497,073.50 5,213.54	4.45% (1,279.37)	Aaa / AA+ AAA	0.61 0.60
3137EAEA3	FHLMC Note 0.750% Due 04/09/2018	1,250,000.00	04/06/2016 0.83%	1,248,037.50 1,249,243.95	99.62 1.24%	1,245,310.00 2,135.42	3.69% (3,933.95)	Aaa / AA+ AAA	0.78 0.77
3130A4GJ5	FHLB Note 1.125% Due 04/25/2018	750,000.00	12/28/2016 1.12%	750,012.00 750,007.42	99.89 1.26%	749,180.25 1,546.88	2.22% (827.17)	Aaa / AA+ AAA	0.82 0.81
3135G0WJ8	FNMA Note 0.875% Due 05/21/2018	1,500,000.00	05/26/2015 1.06%	1,492,065.00 1,497,641.34	99.66 1.26%	1,494,871.50 1,458.33	4.43% (2,769.84)	Aaa / AA+ AAA	0.89 0.88
3133EGJS5	FFCB Note 0.700% Due 07/05/2018	700,000.00	10/03/2016 0.89%	697,697.00 698,670.10	99.58 1.12%	697,069.80 2,395.56	2.07% (1,600.30)	Aaa / AA+ AAA	1.01 1.00
3133EFX69	FFCB Note 0.960% Due 10/05/2018	1,100,000.00	05/17/2016 0.97%	1,099,802.00 1,099,895.08	99.50 1.36%	1,094,505.50 2,522.67	3.25% (5,389.58)	Aaa / AA+ AAA	1.27 1.25
313376BR5	FHLB Note 1.750% Due 12/14/2018	1,000,000.00	12/21/2016 1.29%	1,009,000.00 1,006,628.29	100.54 1.37%	1,005,388.00 826.39	2.98% (1,240.29)	Aaa / AA+ AAA	1.46 1.43
3133782M2	FHLB Note 1.500% Due 03/08/2019	1,000,000.00	06/23/2017 1.38%	1,002,040.00 1,002,023.55	100.12 1.43%	1,001,228.00 4,708.33	2.98% (795.55)	Aaa / AA+ AAA	1.69 1.65
3130ABF92	FHLB Note 1.375% Due 05/28/2019	1,000,000.00	05/30/2017 1.36%	1,000,220.00 1,000,210.62	99.89 1.43%	998,930.00 1,871.53	2.96% (1,280.62)	Aaa / AA+ AAA	1.91 1.88
313379EE5	FHLB Note 1.625% Due 06/14/2019	1,000,000.00	06/13/2017 1.44%	1,003,580.00 1,003,501.43	100.34 1.45%	1,003,399.00 767.36	2.97% (102.43)	Aaa / AA+ AAA	1.96 1.92
3135G0N33	FNMA Note 0.875% Due 08/02/2019	350,000.00	Various 0.92%	349,526.00 349,670.15	98.80 1.46%	345,792.30 1,267.54	1.03% (3,877.85)	Aaa / AA+ AAA	2.09 2.05
Total Agency		12,150,000.00	1.09%	12,145,459.00 12,155,858.83	1.29%	12,132,651.85 28,192.72	35.98% (23,206.98)	Aaa / AA+ Aaa	1.13 1.11
Commercial Paper									
06538BVB6	Bank of Tokyo Mitsubishi NY Discount CP 1.220% Due 08/11/2017	1,000,000.00	04/11/2017 1.24%	995,865.56 995,865.56	99.59 1.24%	995,865.56 2,745.00	2.95% 0.00	P-1 / A-1 NR	0.12 0.11
21687AXX6	Rabobank Nederland NV NY Discount CP 1.280% Due 10/31/2017	1,000,000.00	02/03/2017 1.31%	990,400.00 990,400.00	99.04 1.31%	990,400.00 5,262.22	2.95% 0.00	P-1 / A-1 NR	0.34 0.33
36164KAP6	GE Capital Treasury LLC Discount CP 1.280% Due 01/23/2018	1,000,000.00	06/26/2017 1.31%	992,497.78 992,497.78	99.25 1.31%	992,497.78 177.78	2.94% 0.00	P-1 / A-1+ NR	0.57 0.56
89233HC69	Toyota Motor Credit Discount CP 1.400% Due 03/06/2018	1,000,000.00	06/09/2017 1.43%	989,500.00 989,500.00	98.95 1.43%	989,500.00 855.56	2.93% 0.00	P-1 / A-1+ NR	0.68 0.68
Total Commercial Paper		4,000,000.00	1.32%	3,968,263.34 3,968,263.34	1.32%	3,968,263.34 9,040.56	11.77% 0.00	P-1 / A-1 NR	0.42 0.42



Holdings Report

City of Louisville - Account #10236

For the Month Ending 6/30/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
Local Gov Investment Pool									
99CSAFE\$0	CSAFE Investment Pool	179,173.83	Various 1.00%	179,173.83 179,173.83	1.00 1.00%	179,173.83 0.00	0.53% 0.00	NR / AAA NR	0.00 0.00
Total Local Gov Investment Pool		179,173.83	1.00%	179,173.83	1.00%	0.00	0.00	NR / AAA	0.00
US Corporate									
30231GAL6	Exxon Mobil Corp Note 1.305% Due 03/06/2018	1,500,000.00	03/03/2015 1.31%	1,500,000.00 1,500,000.00	99.94 1.39%	1,499,091.00 6,253.13	4.45% (909.00)	Aaa / AA+ NR	0.68 0.68
084664BY6	Berkshire Hathaway Note 2.000% Due 08/15/2018	500,000.00	10/03/2016 1.20%	507,295.00 504,411.43	100.48 1.57%	502,407.00 3,777.78	1.50% (2,004.43)	Aa2 / AA A+	1.13 1.10
037833CB4	Apple Inc Note 1.100% Due 08/02/2019	750,000.00	07/29/2016 1.06%	750,907.50 750,632.68	98.93 1.62%	741,987.00 3,368.75	2.21% (8,645.68)	Aa1 / AA+ NR	2.09 2.05
Total US Corporate		2,750,000.00	1.22%	2,755,044.11	1.49%	13,399.66	(11,559.11)	Aa1 / AA+ A+	1.14 1.12
US Treasury									
912828TW0	US Treasury Note 0.750% Due 10/31/2017	1,000,000.00	04/23/2015 0.77%	999,612.73 999,948.70	99.89 1.09%	998,860.00 1,263.59	2.96% (1,088.70)	Aaa / AA+ AAA	0.34 0.33
912828UA6	US Treasury Note 0.625% Due 11/30/2017	1,000,000.00	12/21/2015 1.00%	992,815.85 998,459.82	99.79 1.12%	997,937.00 529.37	2.95% (522.82)	Aaa / AA+ AAA	0.42 0.42
912828UE8	US Treasury Note 0.750% Due 12/31/2017	1,000,000.00	12/18/2015 1.03%	994,495.54 998,640.60	99.80 1.15%	997,995.00 20.38	2.95% (645.60)	Aaa / AA+ AAA	0.50 0.50
912828UJ7	US Treasury Note 0.875% Due 01/31/2018	1,500,000.00	03/17/2015 1.04%	1,493,208.15 1,498,615.76	99.82 1.18%	1,497,373.50 5,474.79	4.45% (1,242.26)	Aaa / AA+ AAA	0.59 0.58
912828UU2	US Treasury Note 0.750% Due 03/31/2018	1,000,000.00	12/15/2016 1.10%	995,472.10 997,369.96	99.63 1.25%	996,289.00 1,885.25	2.95% (1,080.96)	Aaa / AA+ AAA	0.75 0.74
912828UZ1	US Treasury Note 0.625% Due 04/30/2018	1,000,000.00	12/21/2016 1.06%	994,222.10 996,448.88	99.47 1.27%	994,688.00 1,052.99	2.95% (1,760.88)	Aaa / AA+ AAA	0.83 0.83
912828VE7	US Treasury Note 1.000% Due 05/31/2018	1,000,000.00	04/19/2016 0.80%	1,004,222.10 1,001,829.03	99.74 1.29%	997,383.00 846.99	2.95% (4,446.03)	Aaa / AA+ AAA	0.92 0.91
912828R93	US Treasury Note 0.625% Due 06/30/2018	1,750,000.00	Various 1.10%	1,738,052.74 1,741,766.58	99.36 1.27%	1,738,857.75 29.72	5.15% (2,908.83)	Aaa / AA+ AAA	1.00 0.99
912828S68	US Treasury Note 0.750% Due 07/31/2018	750,000.00	12/28/2016 1.18%	744,904.86 746,524.04	99.41 1.30%	745,605.75 2,346.34	2.21% (918.29)	Aaa / AA+ AAA	1.08 1.07
912828K82	US Treasury Note 1.000% Due 08/15/2018	750,000.00	04/19/2016 0.83%	752,932.20 751,419.36	99.66 1.30%	747,451.50 2,817.68	2.22% (3,967.86)	Aaa / AA+ AAA	1.13 1.11
9128282C3	US Treasury Note 0.750% Due 08/31/2018	1,500,000.00	02/21/2017 1.08%	1,492,563.62 1,494,292.08	99.34 1.32%	1,490,157.00 3,760.19	4.42% (4,135.08)	Aaa / AA+ AAA	1.17 1.16
912828RH5	US Treasury Note 1.375% Due 09/30/2018	750,000.00	01/31/2017 1.10%	753,371.65 752,532.90	100.04 1.34%	750,293.25 2,592.21	2.23% (2,239.65)	Aaa / AA+ AAA	1.25 1.23



Holdings Report

City of Louisville - Account #10236

For the Month Ending 6/30/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
912828U40	US Treasury Note 1.000% Due 11/30/2018	1,000,000.00	02/15/2017 1.22%	996,058.04 996,874.24	99.52 1.35%	995,156.00 846.99	2.95% (1,718.24)	Aaa / AA+ AAA	1.42 1.40
912828V56	US Treasury Note 1.125% Due 01/31/2019	750,000.00	01/31/2017 1.21%	748,801.34 749,049.28	99.64 1.36%	747,275.25 3,519.51	2.22% (1,774.03)	Aaa / AA+ AAA	1.59 1.56
Total US Treasury		14,750,000.00	1.04%	14,700,733.02 14,723,771.23	1.25%	14,695,322.00 26,986.00	43.56% (28,449.23)	Aaa / AA+ Aaa	0.91 0.89
TOTAL PORTFOLIO		33,829,173.83	1.10%	33,751,831.69 33,782,111.34	1.29%	33,718,896.02 77,618.94	100.00% (63,215.32)	Aaa / AA+ Aaa	0.94 0.93
TOTAL MARKET VALUE PLUS ACCRUALS						33,796,514.96			



Holdings Report

City of Louisville Consolidated - Account #10238

For the Month Ending 6/30/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
Agency									
3137EADV8	FHLMC Note 0.750% Due 07/14/2017	1,000,000.00	10/30/2015 0.71%	1,000,669.00 1,000,014.03	99.99 0.99%	999,904.00 3,479.17	1.28% (110.03)	Aaa / AA+ AAA	0.04 0.04
3135G0TG8	FNMA Note 0.875% Due 02/08/2018	1,500,000.00	06/12/2015 1.06%	1,492,810.50 1,498,352.87	99.80 1.20%	1,497,073.50 5,213.54	1.91% (1,279.37)	Aaa / AA+ AAA	0.61 0.60
3137EAEA3	FHLMC Note 0.750% Due 04/09/2018	1,250,000.00	04/06/2016 0.83%	1,248,037.50 1,249,243.95	99.62 1.24%	1,245,310.00 2,135.42	1.59% (3,933.95)	Aaa / AA+ AAA	0.78 0.77
3130A4GJ5	FHLB Note 1.125% Due 04/25/2018	750,000.00	12/28/2016 1.12%	750,012.00 750,007.42	99.89 1.26%	749,180.25 1,546.88	0.95% (827.17)	Aaa / AA+ AAA	0.82 0.81
3135G0WJ8	FNMA Note 0.875% Due 05/21/2018	1,500,000.00	05/26/2015 1.06%	1,492,065.00 1,497,641.34	99.66 1.26%	1,494,871.50 1,458.33	1.90% (2,769.84)	Aaa / AA+ AAA	0.89 0.88
3133EGJS5	FFCB Note 0.700% Due 07/05/2018	700,000.00	10/03/2016 0.89%	697,697.00 698,670.10	99.58 1.12%	697,069.80 2,395.56	0.89% (1,600.30)	Aaa / AA+ AAA	1.01 1.00
3133EFX69	FFCB Note 0.960% Due 10/05/2018	1,100,000.00	05/17/2016 0.97%	1,099,802.00 1,099,895.08	99.50 1.36%	1,094,505.50 2,522.67	1.39% (5,389.58)	Aaa / AA+ AAA	1.27 1.25
313376BR5	FHLB Note 1.750% Due 12/14/2018	1,000,000.00	12/21/2016 1.29%	1,009,000.00 1,006,628.29	100.54 1.37%	1,005,388.00 826.39	1.28% (1,240.29)	Aaa / AA+ AAA	1.46 1.43
3133782M2	FHLB Note 1.500% Due 03/08/2019	1,000,000.00	06/23/2017 1.38%	1,002,040.00 1,002,023.55	100.12 1.43%	1,001,228.00 4,708.33	1.28% (795.55)	Aaa / AA+ AAA	1.69 1.65
3130ABF92	FHLB Note 1.375% Due 05/28/2019	1,000,000.00	05/30/2017 1.36%	1,000,220.00 1,000,210.62	99.89 1.43%	998,930.00 1,871.53	1.27% (1,280.62)	Aaa / AA+ AAA	1.91 1.88
313379EE5	FHLB Note 1.625% Due 06/14/2019	1,000,000.00	06/13/2017 1.44%	1,003,580.00 1,003,501.43	100.34 1.45%	1,003,399.00 767.36	1.28% (102.43)	Aaa / AA+ AAA	1.96 1.92
3135G0N33	FNMA Note 0.875% Due 08/02/2019	350,000.00	Various 0.92%	349,526.00 349,670.15	98.80 1.46%	345,792.30 1,267.54	0.44% (3,877.85)	Aaa / AA+ AAA	2.09 2.05
Total Agency		12,150,000.00	1.09%	12,145,459.00 12,155,858.83	1.29%	12,132,651.85 28,192.72	15.46% (23,206.98)	Aaa / AA+ Aaa	1.13 1.11
Cash									
90CASH\$02	LSVL Cash Accounts	1,843,511.28	Various 0.50%	1,843,511.28 1,843,511.28	1.00 0.50%	1,843,511.28 0.00	2.34% 0.00	NR / NR NR	0.00 0.00
90COMB\$00	LSVL Compensating Balance Account	1,937,918.83	Various 0.00%	1,937,918.83 1,937,918.83	1.00 0.00%	1,937,918.83 0.00	2.46% 0.00	NR / NR NR	0.00 0.00
Total Cash		3,781,430.11	0.24%	3,781,430.11	0.24%	3,781,430.11 0.00	4.81% 0.00	NR / NR NR	0.00 0.00
Commercial Paper									
06538BVB6	Bank of Tokyo Mitsubishi NY Discount CP 1.220% Due 08/11/2017	1,000,000.00	04/11/2017 1.24%	995,865.56 995,865.56	99.59 1.24%	995,865.56 2,745.00	1.27% 0.00	P-1 / A-1 NR	0.12 0.11
21687AXX6	Rabobank Nederland NV NY Discount CP 1.280% Due 10/31/2017	1,000,000.00	02/03/2017 1.31%	990,400.00 990,400.00	99.04 1.31%	990,400.00 5,262.22	1.27% 0.00	P-1 / A-1 NR	0.34 0.33



Holdings Report

City of Louisville Consolidated - Account #10238

For the Month Ending 6/30/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
36164KAP6	GE Capital Treasury LLC Discount CP 1.280% Due 01/23/2018	1,000,000.00	06/26/2017 1.31%	992,497.78 992,497.78	99.25 1.31%	992,497.78 177.78	1.26% 0.00	P-1 / A-1+ NR	0.57 0.56
89233HC69	Toyota Motor Credit Discount CP 1.400% Due 03/06/2018	1,000,000.00	06/09/2017 1.43%	989,500.00 989,500.00	98.95 1.43%	989,500.00 855.56	1.26% 0.00	P-1 / A-1+ NR	0.68 0.68
Total Commercial Paper		4,000,000.00	1.32%	3,968,263.34	1.32%	3,968,263.34 9,040.56	5.06% 0.00	P-1 / A-1 NR	0.42 0.42

Local Gov Investment Pool

90LGIP\$00	LGIP Local Govt Investment Pool	41,100,591.29	Various 0.51%	41,100,591.29 41,100,591.29	1.00 0.51%	41,100,591.29 0.00	52.24% 0.00	NR / NR NR	0.00 0.00
99CSAFE\$0	CSAFE Investment Pool	179,173.83	Various 1.00%	179,173.83 179,173.83	1.00 1.00%	179,173.83 0.00	0.23% 0.00	NR / AAA NR	0.00 0.00
Total Local Gov Investment Pool		41,279,765.12	0.51%	41,279,765.12	0.51%	41,279,765.12 0.00	52.47% 0.00	NR / AAA NR	0.00 0.00

US Corporate

30231GAL6	Exxon Mobil Corp Note 1.305% Due 03/06/2018	1,500,000.00	03/03/2015 1.31%	1,500,000.00 1,500,000.00	99.94 1.39%	1,499,091.00 6,253.13	1.91% (909.00)	Aaa / AA+ NR	0.68 0.68
084664BY6	Berkshire Hathaway Note 2.000% Due 08/15/2018	500,000.00	10/03/2016 1.20%	507,295.00 504,411.43	100.48 1.57%	502,407.00 3,777.78	0.64% (2,004.43)	Aa2 / AA A+	1.13 1.10
037833CB4	Apple Inc Note 1.100% Due 08/02/2019	750,000.00	07/29/2016 1.06%	750,907.50 750,632.68	98.93 1.62%	741,987.00 3,368.75	0.95% (8,645.68)	Aa1 / AA+ NR	2.09 2.05
Total US Corporate		2,750,000.00	1.22%	2,755,044.11	1.49%	2,743,485.00 13,399.66	3.50% (11,559.11)	Aa1 / AA+ A+	1.14 1.12

US Treasury

912828TW0	US Treasury Note 0.750% Due 10/31/2017	1,000,000.00	04/23/2015 0.77%	999,612.73 999,948.70	99.89 1.09%	998,860.00 1,263.59	1.27% (1,088.70)	Aaa / AA+ AAA	0.34 0.33
912828UA6	US Treasury Note 0.625% Due 11/30/2017	1,000,000.00	12/21/2015 1.00%	992,815.85 998,459.82	99.79 1.12%	997,937.00 529.37	1.27% (522.82)	Aaa / AA+ AAA	0.42 0.42
912828UE8	US Treasury Note 0.750% Due 12/31/2017	1,000,000.00	12/18/2015 1.03%	994,495.54 998,640.60	99.80 1.15%	997,995.00 20.38	1.27% (645.60)	Aaa / AA+ AAA	0.50 0.50
912828UJ7	US Treasury Note 0.875% Due 01/31/2018	1,500,000.00	03/17/2015 1.04%	1,493,208.15 1,498,615.76	99.82 1.18%	1,497,373.50 5,474.79	1.91% (1,242.26)	Aaa / AA+ AAA	0.59 0.58
912828UU2	US Treasury Note 0.750% Due 03/31/2018	1,000,000.00	12/15/2016 1.10%	995,472.10 997,369.96	99.63 1.25%	996,289.00 1,885.25	1.27% (1,080.96)	Aaa / AA+ AAA	0.75 0.74
912828UZ1	US Treasury Note 0.625% Due 04/30/2018	1,000,000.00	12/21/2016 1.06%	994,222.10 996,448.88	99.47 1.27%	994,688.00 1,052.99	1.27% (1,760.88)	Aaa / AA+ AAA	0.83 0.83
912828VE7	US Treasury Note 1.000% Due 05/31/2018	1,000,000.00	04/19/2016 0.80%	1,004,222.10 1,001,829.03	99.74 1.29%	997,383.00 846.99	1.27% (4,446.03)	Aaa / AA+ AAA	0.92 0.91
912828R93	US Treasury Note 0.625% Due 06/30/2018	1,750,000.00	Various 1.10%	1,738,052.74 1,741,766.58	99.36 1.27%	1,738,857.75 29.72	2.21% (2,908.83)	Aaa / AA+ AAA	1.00 0.99



Holdings Report

City of Louisville Consolidated - Account #10238

For the Month Ending 6/30/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
912828S68	US Treasury Note 0.750% Due 07/31/2018	750,000.00	12/28/2016 1.18%	744,904.86 746,524.04	99.41 1.30%	745,605.75 2,346.34	0.95% (918.29)	Aaa / AA+ AAA	1.08 1.07
912828K82	US Treasury Note 1.000% Due 08/15/2018	750,000.00	04/19/2016 0.83%	752,932.20 751,419.36	99.66 1.30%	747,451.50 2,817.68	0.95% (3,967.86)	Aaa / AA+ AAA	1.13 1.11
912828C3	US Treasury Note 0.750% Due 08/31/2018	1,500,000.00	02/21/2017 1.08%	1,492,563.62 1,494,292.08	99.34 1.32%	1,490,157.00 3,760.19	1.90% (4,135.08)	Aaa / AA+ AAA	1.17 1.16
912828RH5	US Treasury Note 1.375% Due 09/30/2018	750,000.00	01/31/2017 1.10%	753,371.65 752,532.90	100.04 1.34%	750,293.25 2,592.21	0.96% (2,239.65)	Aaa / AA+ AAA	1.25 1.23
912828U40	US Treasury Note 1.000% Due 11/30/2018	1,000,000.00	02/15/2017 1.22%	996,058.04 996,874.24	99.52 1.35%	995,156.00 846.99	1.27% (1,718.24)	Aaa / AA+ AAA	1.42 1.40
912828V56	US Treasury Note 1.125% Due 01/31/2019	750,000.00	01/31/2017 1.21%	748,801.34 749,049.28	99.64 1.36%	747,275.25 3,519.51	0.95% (1,774.03)	Aaa / AA+ AAA	1.59 1.56
Total US Treasury		14,750,000.00	1.04%	14,700,733.02 14,723,771.23	1.25%	14,695,322.00 26,986.00	18.71% (28,449.23)	Aaa / AA+ Aaa	0.91 0.89
TOTAL PORTFOLIO		78,711,195.23	0.75%	78,633,853.09 78,664,132.74	0.83%	78,600,917.42 77,618.94	100.00% (63,215.32)	Aaa / AA+ Aaa	0.41 0.40
TOTAL MARKET VALUE PLUS ACCRUALS						78,678,536.36			

SECTION 4

Transactions



Transaction Ledger

City of Louisville - Account #10236

March 31, 2017 through June 30, 2017

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	04/03/2017	99CSAFE\$0	1,000,000.00	CSAFE Investment Pool	1.000	0.84%	1,000,000.00	0.00	1,000,000.00	0.00
Purchase	04/04/2017	99CSAFE\$0	66.07	CSAFE Investment Pool	1.000	0.84%	66.07	0.00	66.07	0.00
Purchase	04/05/2017	99CSAFE\$0	5,280.00	CSAFE Investment Pool	1.000	0.84%	5,280.00	0.00	5,280.00	0.00
Purchase	04/09/2017	99CSAFE\$0	4,687.50	CSAFE Investment Pool	1.000	0.84%	4,687.50	0.00	4,687.50	0.00
Purchase	04/11/2017	06538BVB6	1,000,000.00	Bank of Tokyo Mitsubishi NY Discount CP 1.22% Due: 08/11/2017	99.587	1.24%	995,865.56	0.00	995,865.56	0.00
Purchase	04/25/2017	99CSAFE\$0	4,218.75	CSAFE Investment Pool	1.000	0.84%	4,218.75	0.00	4,218.75	0.00
Purchase	04/30/2017	99CSAFE\$0	6,875.00	CSAFE Investment Pool	1.000	0.96%	6,875.00	0.00	6,875.00	0.00
Purchase	05/01/2017	99CSAFE\$0	319.74	CSAFE Investment Pool	1.000	0.96%	319.74	0.00	319.74	0.00
Purchase	05/21/2017	99CSAFE\$0	6,562.50	CSAFE Investment Pool	1.000	0.96%	6,562.50	0.00	6,562.50	0.00
Purchase	05/31/2017	3130ABF92	1,000,000.00	FHLB Note 1.375% Due: 05/28/2019	100.022	1.36%	1,000,220.00	725.69	1,000,945.69	0.00
Purchase	05/31/2017	99CSAFE\$0	1,000,700.00	CSAFE Investment Pool	1.000	0.98%	1,000,700.00	0.00	1,000,700.00	0.00
Purchase	05/31/2017	99CSAFE\$0	16,252.19	CSAFE Investment Pool	1.000	0.98%	16,252.19	0.00	16,252.19	0.00
Purchase	06/01/2017	99CSAFE\$0	108.97	CSAFE Investment Pool	1.000	0.98%	108.97	0.00	108.97	0.00
Purchase	06/09/2017	89233HC69	1,000,000.00	Toyota Motor Credit Discount CP 1.4% Due: 03/06/2018	98.950	1.43%	989,500.00	0.00	989,500.00	0.00
Purchase	06/09/2017	99CSAFE\$0	1,000,000.00	CSAFE Investment Pool	1.000	0.98%	1,000,000.00	0.00	1,000,000.00	0.00
Purchase	06/14/2017	99CSAFE\$0	8,750.00	CSAFE Investment Pool	1.000	0.98%	8,750.00	0.00	8,750.00	0.00
Purchase	06/15/2017	313379EE5	1,000,000.00	FHLB Note 1.625% Due: 06/14/2019	100.358	1.44%	1,003,580.00	45.14	1,003,625.14	0.00
Purchase	06/15/2017	99CSAFE\$0	4,375.00	CSAFE Investment Pool	1.000	0.98%	4,375.00	0.00	4,375.00	0.00
Purchase	06/15/2017	99CSAFE\$0	1,000,000.00	CSAFE Investment Pool	1.000	0.98%	1,000,000.00	0.00	1,000,000.00	0.00



Transaction Ledger

City of Louisville - Account #10236

March 31, 2017 through June 30, 2017

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Purchase	06/26/2017	3133782M2	1,000,000.00	FHLB Note 1.5% Due: 03/08/2019	100.204	1.38%	1,002,040.00	4,500.00	1,006,540.00	0.00
Purchase	06/26/2017	36164KAP6	1,000,000.00	GE Capital Treasury LLC Discount CP 1.28% Due: 01/23/2018	99.250	1.31%	992,497.78	0.00	992,497.78	0.00
Purchase	06/30/2017	99CSAFE\$0	9,218.75	CSAFE Investment Pool	1.000	1.00%	9,218.75	0.00	9,218.75	0.00
Subtotal			10,067,414.47				10,051,117.81	5,270.83	10,056,388.64	0.00
Security Contribution	06/23/2017	99CSAFE\$0	2,000,000.00	CSAFE Investment Pool	1.000		2,000,000.00	0.00	2,000,000.00	0.00
Subtotal			2,000,000.00				2,000,000.00	0.00	2,000,000.00	0.00
Short Sale	05/31/2017	99CSAFE\$0	-1,000,945.69	CSAFE Investment Pool	1.000		-1,000,945.69	0.00	-1,000,945.69	0.00
Short Sale	06/15/2017	99CSAFE\$0	-1,003,625.14	CSAFE Investment Pool	1.000		-1,003,625.14	0.00	-1,003,625.14	0.00
Short Sale	06/26/2017	99CSAFE\$0	-1,006,540.00	CSAFE Investment Pool	1.000		-1,006,540.00	0.00	-1,006,540.00	0.00
Subtotal			-3,011,110.83				-3,011,110.83	0.00	-3,011,110.83	0.00
TOTAL ACQUISITIONS			9,056,303.64				9,040,006.98	5,270.83	9,045,277.81	0.00

DISPOSITIONS										
Closing Purchase	05/31/2017	99CSAFE\$0	-1,000,945.69	CSAFE Investment Pool	1.000		-1,000,945.69	0.00	-1,000,945.69	0.00
Closing Purchase	06/15/2017	99CSAFE\$0	-1,003,625.14	CSAFE Investment Pool	1.000		-1,003,625.14	0.00	-1,003,625.14	0.00
Closing Purchase	06/26/2017	99CSAFE\$0	-1,006,540.00	CSAFE Investment Pool	1.000		-1,006,540.00	0.00	-1,006,540.00	0.00
Subtotal			-3,011,110.83				-3,011,110.83	0.00	-3,011,110.83	0.00
Sale	04/11/2017	99CSAFE\$0	995,865.56	CSAFE Investment Pool	1.000	0.84%	995,865.56	0.00	995,865.56	0.00
Sale	05/31/2017	99CSAFE\$0	1,000,945.69	CSAFE Investment Pool	1.000	0.98%	1,000,945.69	0.00	1,000,945.69	0.00
Sale	06/09/2017	99CSAFE\$0	989,500.00	CSAFE Investment Pool	1.000	0.98%	989,500.00	0.00	989,500.00	0.00
Sale	06/15/2017	99CSAFE\$0	1,003,625.14	CSAFE Investment Pool	1.000	0.98%	1,003,625.14	0.00	1,003,625.14	0.00



Transaction Ledger

City of Louisville - Account #10236

March 31, 2017 through June 30, 2017

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Sale	06/26/2017	99CSAFE\$0	1,999,037.78	CSAFE Investment Pool	1.000	0.98%	1,999,037.78	0.00	1,999,037.78	0.00
	Subtotal		5,988,974.17				5,988,974.17	0.00	5,988,974.17	0.00
Maturity	04/03/2017	06538BR39	1,000,000.00	Bank of Tokyo Mitsubishi NY Discount CP 1.04% Due: 04/03/2017	99.648		996,475.56	3,524.44	1,000,000.00	0.00
Maturity	05/31/2017	912828SY7	1,000,700.00	US Treasury Note 0.625% Due: 05/31/2017	100.000		1,000,700.00	0.00	1,000,700.00	0.00
Maturity	06/09/2017	89233GT97	1,000,000.00	Toyota Motor Credit Discount CP 1.24% Due: 06/09/2017	99.073		990,734.44	9,265.56	1,000,000.00	0.00
Maturity	06/15/2017	912828WP1	1,000,000.00	US Treasury Note 0.875% Due: 06/15/2017	100.000		1,000,000.00	0.00	1,000,000.00	0.00
	Subtotal		4,000,700.00				3,987,910.00	12,790.00	4,000,700.00	0.00
Security Withdrawal	05/11/2017	99CSAFE\$0	25.72	CSAFE Investment Pool	1.000		25.72	0.00	25.72	0.00
Security Withdrawal	06/20/2017	99CSAFE\$0	1,318.06	CSAFE Investment Pool	1.000		1,318.06	0.00	1,318.06	0.00
	Subtotal		1,343.78				1,343.78	0.00	1,343.78	0.00
TOTAL DISPOSITIONS			6,979,907.12				6,967,117.12	12,790.00	6,979,907.12	0.00



Transaction Ledger

City of Louisville Reporting - Account #10237

March 31, 2017 through June 30, 2017

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Security Contribution	05/31/2017	90LGIP\$00	29,636,459.78	LGIP Local Govt Investment Pool	1.000		29,636,459.78	0.00	29,636,459.78	0.00
Security Contribution	06/30/2017	90LGIP\$00	2,812,269.56	LGIP Local Govt Investment Pool	1.000		2,812,269.56	0.00	2,812,269.56	0.00
	Subtotal		35,799,360.27				35,799,360.27	0.00	35,799,360.27	0.00
TOTAL ACQUISITIONS			35,799,360.27				35,799,360.27	0.00	35,799,360.27	0.00
DISPOSITIONS										
Security Withdrawal	04/30/2017	90LGIP\$00	910,956.71	LGIP Local Govt Investment Pool	1.000		910,956.71	0.00	910,956.71	0.00
	Subtotal		4,263,340.13				4,263,340.13	0.00	4,263,340.13	0.00
TOTAL DISPOSITIONS			4,263,340.13				4,263,340.13	0.00	4,263,340.13	0.00



Information contained herein is confidential. Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

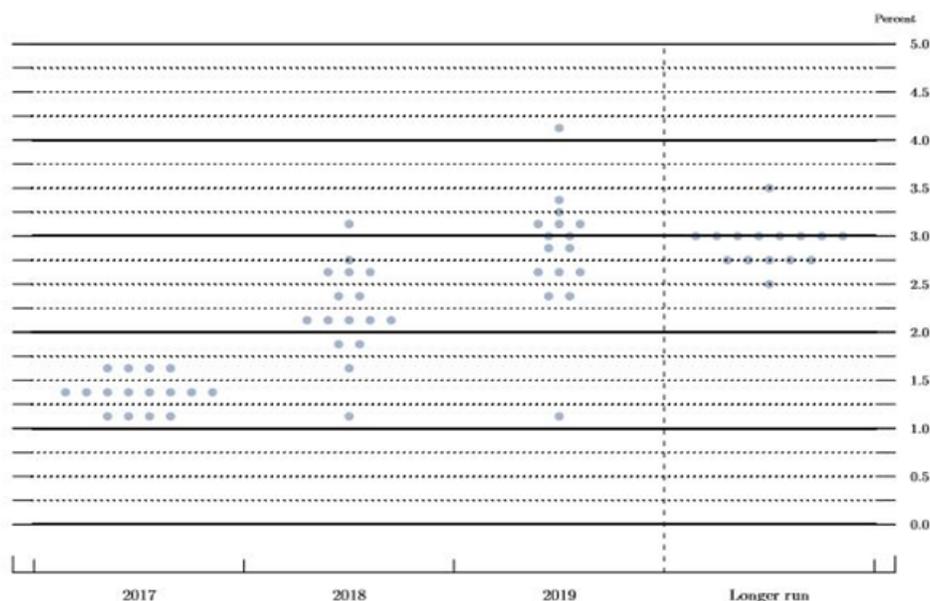
The Disconnect Between Interest Rates and Federal Reserve Projections

Who is Correct?

The current market environment presents a unique challenge for fixed income investors. The secular bull market has been one of the most protracted in history, with low interest rates extending from the 2008 financial crisis to the present. Equity markets have rallied to historically high levels. The economy has recovered gradually since the Great Recession providing justification for rising rates. However, yields have remained at historically low levels. Federal Open Market Committee (FOMC) policy, the greatest determinant of short-term interest rates, has become more transparent under Chairman Ben Bernanke and subsequently Chairwoman Janet Yellen. However, there is a current disconnect in the market between interest rate levels and FOMC projections. What is causing the dichotomy, and what are the implications for fixed income investors?

At the June FOMC meeting, the Fed raised the target rate by 0.25% to a range of 1.00% to 1.25%. The rate hike follows two 25 basis point increases in the past seven months (December 2016 and March 2017). The Committee also discussed plans to begin gradually unwinding the \$4.5 trillion balance sheet later this year. The accompanying statement emphasized that policy remains accommodative, with the focus on rate normalization rather than tightening financial conditions. The FOMC also noted that economic activity has been rising moderately and job gains have been solid, but inflation has recently declined. The FOMC’s forecast calls for inflation to rise gradually to the Fed’s 2.00% target in the medium term, as labor conditions continue to tighten. The Fed’s statement and projections were relatively hawkish, as they penciled in another quarter point rate hike this year, and three more quarter point hikes in each of the next two years, with a 3% rate in the longer run. Projections were essentially unchanged from the March meeting, although economic data overall and inflation in particular have been soft in the first quarter. As indicated below by the average of the Federal Reserve dot-plot diagram, projections place the Fed Funds rate at 1.40% at the end of 2017.

FOMC Projections – June 14, 2017



Source: Federal Reserve

Although the Fed has been very transparent in their communication, the market has not taken these projections to heart. After the FOMC press conference in June, the two-year treasury was trading at a yield of approximately 1.35%. The trading range has spanned between 1.16% and 1.38% over the last quarter. With a normal, upward sloping yield curve, investors would expect the two-year note to trade at a higher yield than the Fed’s projected overnight rate of 1.40%. Even though the Fed has clearly and repeatedly telegraphed three rate hikes this year, the two-year treasury has not risen out of this narrow trading range. Additionally, unwinding the balance sheet is likely to nudge rates higher.

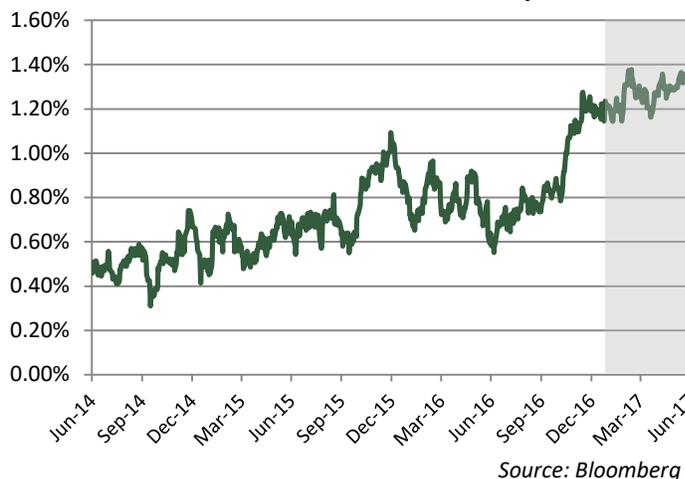
After the June FOMC meeting, the yield curve continued to flatten, intensifying the trend over the last several months. A flattening yield curve is typical in a Fed tightening cycle; however, the protracted absolute low yield levels are not historically “normal”. The five-year treasury declined to 1.72% and the 10-year treasury reached its lowest point since November 2016 at 2.16%. Lower yields on the longer end of the curve imply subdued inflation expectations in the longer run, counter to FOMC projections.

What are market participants thinking?

Fed funds futures are traded contracts that reflect market expectations for future FOMC rate actions. After the June meeting, fed funds futures were trading at a probability of approximately 42% for another rate hike in 2017. As of June 30, the market was pricing in a 16% chance of an additional rate hike at the September meeting, and the probability of another hike does not exceed 50% until December.

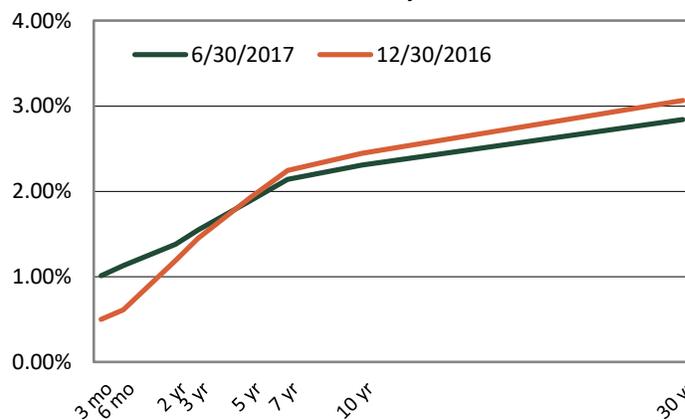
As reflected not only by fed funds futures but the aforementioned rate levels, the market does not seem to believe the Fed. Is the market’s skepticism warranted? In both 2015 and 2016, the Fed’s dot plot projected four rate hikes for the year. However, actions did not materialize, and in each December, we received a holiday present of a 25 basis point rate hike, which was “one and done” for the year.

Historical Yields - 2 Year Treasury



Source: Bloomberg

U.S. Treasury Curves



Source: Bloomberg

Current Implied Probabilities

Meeting	Possibility of Hike
7/26/2017	0.0%
9/20/2017	16.0%
11/1/2017	16.7%
12/13/2017	51.6%
1/31/2018	52.5%
3/31/2018	67.8%

Source: Bloomberg, June 30, 2017

What drives the Fed's decisions?

There are numerous factors that comprise the Fed's decision making process. Some of the most important data includes the following:

- Employment** The Fed has a dual mandate to promote maximum employment and stable prices. Employment growth has strengthened over the last several years, with a six-month trend of approximately 160,000 jobs per month being created and 4.3% unemployment, the lowest rate since 2001. Additionally, the unemployment rate for college graduates has fallen to 2.5%, creating a shortage of skilled workers. Although job growth has slowed in the first quarter, conditions are approaching full employment. However, the labor participation rate remains stubbornly low and wage growth has yet to materialize. The Fed's latest projections reflect downward revisions to the unemployment rate to 4.3% in 2017 and 4.2% in 2018 and 2019.
- Inflation** The Fed's preferred gauge, the Personal Consumption Expenditures (PCE) index declined in April to 1.5% annualized growth after stripping out volatile food and energy components. Oil prices are captured in the PCE headline number, which fell to 1.7% annualized growth. The FOMC statement indicated transitory factors, such as one-time price declines in prescription drugs and mobile phone charges. The Fed lowered its Core PCE inflation projection to 1.6% growth for 2017, but expects to reach its 2.00% threshold in late 2018 as the labor market continues to tighten and wages gradually pick up.
- GDP** Overall economic growth as measured by gross domestic product is projected by the Fed to reach 2.2% for this year, 2.1% in 2018, and 1.9% in 2019. This overall picture reflects consumer spending, business investment, government spending, and net imports and exports. Moderate economic growth is expected to continue for several years. Achieving these projections assumes improvement from first quarter growth of only 1.2%, but GDP data can be volatile from quarter to quarter.
- Global Factors** In addition to the key components of domestic economic growth, the Fed pays close attention to global factors that affect our economy and financial markets. The dollar has strengthened over the last year, which can dampen our exports and GDP growth. However, the dollar has moderated in 2017 as other world economies and currencies have strengthened, and fiscal stimulus from the Trump administration has yet to materialize.



Additionally, over the last few years, other key central banks around the globe have pursued divergent policies from the FOMC. Both the European Central Bank and the Bank of Japan implemented accommodative policies to help fuel economic growth at around the same time the FOMC began scaling back accommodation. These policies resulted in negative rates abroad. Relatively higher rates in the U.S. have attracted global investment and have helped to cap longer term rates in the U.S. However, recent improvements in these economies have resulted in central bank policies and interest rates beginning to converge again. We have seen increases in German and Japanese benchmark interest rates and flatter sovereign yield curves.

The Bottom Line for Fixed Income Investors

Despite strengthening economic conditions, risks to growth persist, and the market remains skeptical of the Fed's projections and future actions. With so much uncertainty, what is an investor to do? Will interest rates inevitably rise?

The arguments for rising rates can be supported by several factors. On a macro level, the U.S. economy is relatively strong. The Fed seems inclined to gradually scale back accommodation and prevent the economy from overheating. We are seeing higher benchmark interest rates globally. The labor market is robust, and a shortage of skilled workers may lead to wage inflation. Lastly, the impact of fiscal spending is unknown at this point, but may result in more debt issuance if and when it does materialize.

On the other hand, arguments against rising rates can be supported as well. The developed market global growth outlook, as well as demographic trends in both the US and overseas, support interest rates remaining low by historical standards. Rising rates have been anticipated and even feared by the market for years now, but interest rates inside of five years continue to trade at a yield level below the targeted inflation rate. Reasons unrelated to the economy and monetary policy have fueled a flight to quality and demand for treasuries, such as political turmoil, China's slowdown, plunging oil prices, Brexit, and terrorism which have kept rates low. Are we in for more of the same? We can always expect the market to behave unpredictably, but how do we protect our investments?

Chandler's Final Thoughts

To manage effectively in an uncertain environment, begin by putting away the crystal ball. History demonstrates that no one can effectively predict the direction, magnitude, and timing of interest rate movements consistently. It also helps to "stay out of the weeds" and watch for macro trends in the data and how the market reacts to data releases. Most importantly, irrespective of your interest rate outlook, stay disciplined and avoid significant inconsistencies with your portfolio's risk tolerance and investment strategy. Take advantage of market dislocations and movements, but resist the temptation to dramatically shift portfolio duration or overall investment strategy with individual data points and one-off market moves. With a disciplined investment strategy, you are likely to achieve your investment objectives over an investment cycle.



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Carlos Oblites
SVP, Portfolio Strategist

Questions?

Please contact Chandler at info@chandlerasset.com, or 800-317-4747 with any questions or to learn about investment management solutions for public entity investment programs.

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